IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

UNITED STATES, *Ex. Rel.* CINDY LEE HARTMAN,	)	CIVIL ACTION
Plaintiff	)	Civil Action No. 02-1948
ALLEGHENY GENERAL HOSPITAL,	)	
Defendant	)	

BRIEF IN SUPPORT OF PLAINTIFF'S
MOTION FOR SUMMARY JUDGMENT AS TO DEFENDANT'S COUNTER CLAIM

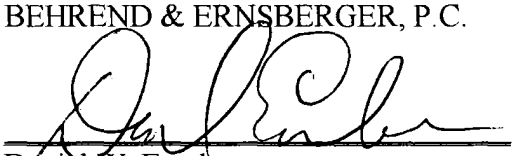
As a rule, counter claims are not permitted qui tam actions. United States Ex Rel Rodiguez v. Weekly Publications Inc., 74 F. Supp. 763 (S.D. N.Y. 1947), U.S. Ex Rel Madden v. General Dynamics Corp. 4 F.3d 827 (9th Cir. 1993), Mortgages Inc. v. United States District Court for the District of Nevada, 934 F. 2d 209 (9th Cir. 1991), U.S. Ex Rel Newsham v. Lockheed Missiles, 190 F. 3d. 963 (9th Cir. 1999), United States Ex Rel. Newsham v. Lockheed Missiles and Space Co. Inc., 779 F. Supp. 1252 (N.D. Cal. 1991), ., See Kent D. Strader, Comment, Counter Claims Against Whistle blowers: Should Counterclaims Against Qui Tam Plaintiff's Be Allowed in False Claims Act Cases?, 62 U. Cin. L. Rev. 713,727-28 (1993).

A counterclaim may be permitted where the defendant seeks independent damages and has plead that the relator committed: a breach of duty of loyalty and breach of fiduciary duty, a breach of implied covenant of good faith and fair dealing, libel, trade libel, fraud, and other acts of misconduct. see Madden.

AGH has not demonstrated any such acts or practices. Defendant's counterclaim must be

dismissed.

Respectfully submitted
BEHREND & ERNSBERGER, P.C.



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CONFIDENTIAL

Report of Compliance Audit Findings
For
Allegheny General Department of Cardiology

Prepared by: Sharon McElrath
West Penn Allegheny Health System
System Compliance and Internal Audit Department

October 30, 2002

INTRODUCTION

This audit was request by Kathy Deloplaine on behalf of Allegheny General Hospital Department of Cardiology as an investigation prompted by an employee's misconduct. An analysis of billing records provided by the Physician Finance Department was conducted to determine if all services that were provided by the physicians in the nuclear cardiology and non-invasive laboratory departments were reported to the third party carriers. The issues that were investigated were:

- Charges for non-invasive cardiology procedures deleted and not billed to third party carriers;
- Charges for nuclear cardiology procedures deleted and not billed to third party carriers; and
- EKG services reported with a diagnosis of benign pulmonary hypertension instead of hypertension.

METHODOLOGY

Cardiology services are reported with the Invision billing system for facility charges. These services are then processed to a turn around report that is reviewed by the cardiology biller. The turn around report will list all services reported with a facility charge. It is the responsibility of the biller to verify that a physician affiliated with the Department of Cardiology performed or supervised the testing. If a physician who is not affiliated with the department provided the service, the charges are deleted and not entered into the Signature billing system, the physician billing system. The physician finance department provided deletion reports for an analysis of deleted charges. These reports were compared to the schedules for each department and to any charges that may have already been entered into the Signature system. Any procedure that was identified as being provided by an affiliated physician and not entered into the Signature billing system was identified and provided to PFS for billing.

PLAINTIFF'S EXHIBIT A

EXECUTIVE SUMMARY

- Nuclear cardiology charges submitted to finance were $68,000 for 78 patients. Finance is working on a script to enter the demographics for the patients to bill for the services.

- Non-invasive cardiology charges submitted to finance were for approximately $197,000. Again, finance is working on a script to enter the patient demographics to bill for the services.

- A report was provided to the Compliance Department by PFS listing all services reported with a diagnosis of pulmonary hypertension, ICD code 416.0. This report was run for the dates of service January 1, 2001 through March 31, 2002. There was no EKG's reported during this time span with a diagnosis of pulmonary hypertension.

IN THE UNITED STATES DISTRICT COURT

FOR THE WESTERN DISTRICT OF PENNSYLVANIA

CINDY HARTMAN,

Plaintiff,

vs.

ALLEGHENY GENERAL HOSPITAL,

Defendant.

CIVIL DIVISION
No: 02-1948

DEPOSITION OF:
KATHY DELOPLAINE

DEPOSITION DATE:
DECEMBER 9, 2004

REPORTED BY:
Mary E. Macioce

COUNSEL OF RECORD:

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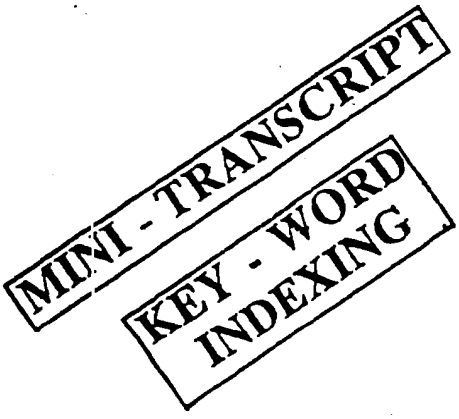

DISK ENCLOSED

D E P O S I T I O N

of KATHY DELOPLAINE, taken pursuant to the Federal Rules of Civil Procedure, by and before Mary E. Macioce, a Court Reporter and Notary Public in and for the Commonwealth of Pennsylvania, in the Conference Room of BEHREND and ERNSBERGER, Union Bank Building, Suite 300, 306 Fourth Avenue, Pittsburgh, PA 15222, on Thursday, December 9, 2004, commencing at 10:03 a.m.

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I N D E X

E X H I B I T S

DEPOSITION EXHIBIT		MARKED FOR IDENTIFICATION
No. 1	Letter 7/31/98	39
No. 2	Audit Results	40
No. 3	E-mail	50
No. 4	E-mail	79
No. 5	Series of e-mail	123
No. 6	E-mail	131
No. 7	Series of e-mail	139
No. 8	Series of e-mail	141
No. 9	Series of e-mail	147
No. 10	E-mail	148
No. 11	Series of e-mail	148
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P-R-O-C-E-E-D-I-N-G-S

KATHY DELOPLAINE

having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. ERNSBERGER:

Q. Good morning. My name is Dan Ernsberger, I am the attorney in this case and I represent the United States of America as the Quatum I guess they call me a special attorney general for the case, and I also represent Cindy Hartman, what they call the Relator.

I'll be asking you several questions today, and if you don't understand the question, please tell me. Okay?

A. Yes.

Q. Can I have your name and address, please?

A. Kathy Deloplaine, 215 Montana Street, Pittsburgh, Pennsylvania 15214.

Q. Can you summarize your educational background?

A. I have an R.N. Diploma, graduated from St. Francis Hospital School of Nursing in New Castle, and I also have a BS/BA Degree in Nursing and Managed Care Administration.

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Q. When did you get your BS/BA?

A. 2002.

Q. And when did you get your R.N.?

A. 1974.

Q. Can you briefly describe your work experience since getting your R.N. in 1974?

A. I worked from 1974 until 1988 in a Critical Care Unit. For the first three years I was an R.N. and a team leader in the Intensive Care Unit -- Medical Intensive Care Unit, Coronary Care Unit, and Progressive Cardiac Care Unit.

In 1979 I was promoted to Assistant Clinical Supervisor, and remained in that capacity -- I left there permanently in 1988. I had a leave of absence for -- a maternity leave of absence that I returned from in 1985. I had been off for seven weeks and was a rehire in 1985. I also had a brief break in service from September of 1981 until, I believe it was November, but I don't recall exactly. It was, approximately, a two month break in service in that year, and returned in the same capacity as an Assistant Clinical Supervisor.

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Q. What is your present position?

A. Director of Cardiology at Allegheny General Hospital.

Q. When did you become that? When did you acquire that position?

A. In March of 2002.

I don't believe I fully answered the previous question. You asked me my experience as an R.N., and I didn't completely answer that, I only gave you my critical care experience.

Q. Okay.

A. In 1988 I left the Critical Care Unit. At that time, I became a research coordinator in congestive heart failure and transplant, and in 1996 I left that position and assumed a position in Finance. I didn't work in an R.N. capacity in the Finance Department, so I would say that was the end of my R.N. career at that point.

Q. Okay. And what was your title when you were working in Finance?

A. Initially, for the first six months I was a Senior Analyst, I believe. I'm not certain of the exact title. And after six months I

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was promoted to a manager, practice manager. And, approximately a year later, I was promoted to Director of Patient Financial Services in the Pro-Fee Billing Department.

Q. Pro-Fee stands for professional fee, does it?

A. Yes, it does.

Q. Okay. You were a Senior Analyst, Project Manager, Director of Patient Financial Services?

A. I wasn't a project manager. I was a Practice Manager.

Q. Practice manager. And then what followed your being Director of Patient Financial Services?

A. Director of Cardiology.

Q. Okay. So let's focus in on the time frame from, say, 1997 to the present.

What was your title in 1997?

A. I believe it was in October of 1997 that I was promoted to Director of Patient Financial Services.

Q. And then you remained in that position until 2002 when you became the Director of Cardiology?

A. Correct.

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Q Okay. What does a Director of Patient Financial Services do?
A The Director of Patient Financial Services is responsible for the billing and accounts receivable follow-up for physicians who were employed by the Allegheny Specialty Practice Network. We were responsible for -- I was responsible for making certain that the claims went out cleanly, that we submitted -- that we submitted bills according to the guidelines of the payers.
Q What is the Allegheny Specialty Practice Network?
A It's a group of specialty physicians who are employed -- it's a network of physicians that are specialists who are employed and primarily practice at the Allegheny General Hospital location, but some of them do have satellite locations.
Q So, when one of the physicians in this network issues a bill, then it is billed through Allegheny General Hospital, and that's your function?
A No.
Q No?

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A That is not my function. Allegheny General Hospital is a separate corporation from ASPN, from the Allegheny Specialty Practice Network.
Allegheny General Hospital bills for the technical component of any service that's supplied by the hospital. My function was to oversee the billing process of the professional component of the physicians who were employed by Allegheny Specialty Practice Network.
Q Who are you employed by?
A I -- I'm sorry, I don't understand what you're asking me right now. Now?
Q Your paycheck -- well, okay.
Right now, whose name is on your paycheck?
A Allegheny General Hospital.
Q Okay. Back in '97 whose name was on your paycheck?
A I'm uncertain of who was on my paycheck at that time.
Q Okay. I'm still trying to figure out the billing services that you provide and for whom do you provide them, and who pays you to provide those billing services.
So, let's start off with the billing services you provide. What do you -- what services do you oversee or provide?
A I don't oversee any right now on the billing side.
Q Okay.
A I'm employed by Allegheny General as the Cardiology Director currently.
Q But, in '97, when you were Director of Patient Financial Services, what billing services did you provide?
A In 1997 the -- the billing is a very complex system. There are multiple information systems that feed into that, and there are multiple inputs of data along the way and edits along the way that result in a final bill that goes to the payers.
My responsibility was that once the charge was entered by the front end staff, that that charge was transferred into the billing system, the Signature Billing System that I oversaw. There was an editing system that was in place as well, so that when the data transferred from the Signature Billing

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System, it was edited by the HDS System to send the claim out in the cleanest possible way.
In 1997 I was not overseeing the HDS Billing System, however.
Q So, you indicated that it all -- billings all start when the charges are entered by the front end.
A Um-hum.
Q What do you mean by that phrase?
A I -- I don't believe that that's what I said.
Q Okay.
A The billing process is a really complicated process and there are -- it's multiple input that goes into the billing process, even prior to the charge being entered.
Q Okay. So, when a charge is entered by the front end, what do you mean by that?
A When the charge is keyed, actually keyed into the system by the data entry person or the billing person from the front end, that information is then transmitted to the Signature Billing System.
Q Okay. Let's see if we can identify who it is that is submitting these charges to the

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individual who is keying them in.
I take it these are doctor's bills; right, or are they hospital bills, or both?
A In 1997 I was not responsible for the front end charge entry process.
Q Okay.
A So what is your question?
Q All right. I'm trying to get an understanding of the overall process. Before we get into your specific duties and responsibilities I want to get the general, overall picture.
I take it there are doctor's bills and hospital bills; right?
A That's correct.
Q And the doctor's bills come from the Allegheny Specialist Practice Network; is that right?
A The doctors who provide the information to the biller were employed by Allegheny Specialty Practice Network.
Q Okay. And the hospital bills that provide the information to the biller come from where, Allegheny General?
A The hospital bills were not the

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responsibility of the person who was responsible for the professional component.
Q Okay. So there's two separate billers?
A That's correct.
Q The physician's biller is coming from the Allegheny Specialty Practice Network, goes through one set of billers; is that right?
A That's correct.
Q And then the hospital charges go through a second set of billers?
A That's correct.
Q Okay. Now, the hospital charges, those are Allegheny General Hospital charges; right?
A That's correct.
Q And the physician's charges are the charges of the physicians from the Allegheny Specialty Practice Network?
A That's correct.
Q And after these charges go to their respective billers, what happens then?
A They appropriately code and key the charges into the billing system.
Q Okay. And that's what you're referring to as the Signature System, or something else?
A No. I was not referring to the Signature

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Billing System. It depends on who the biller is, what the process is within that department, and whether they're keying technical charges or professional charges or both.
Q Okay. So, let's start off with the doctor's bills coming from the Allegheny Specialty Practice Network. Those bills go to a key person who keys in the bills; is that right?
A That's correct.
Q And that person keys them in differently whether they're technical charges or doctor's charges; is that right?
A No, that isn't right.
Q Okay. Tell me how it works.
A The person who is keying the charges for the Allegheny Specialty Practice Network is solely entering charges for the professional component in the Cardiology Department.
Q Okay. And they have a computer system that they use to key in these charges?
A Correct.
Q What's the name of that computer system?
A Can you rephrase your question?
Q I'm trying to follow the process of the

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bills, first of all, from the Allegheny Specialty Practice Network --
A Okay.
Q -- and how they're processed. All right?
So the physicians from the network provide information to, basically, a keypunch operator, and the keypunch operator puts these into a system. What system does the keypunch operator put them into?
A It could be one -- it could be different systems. One of them is a turnaround document, which is a file that sits between the Envision Billing System, which is the hospital billing system, and the -- and the Professional Fee System, which is the Signature Billing System.
Charges could be keyed, either into the turnaround documents, or directly into Signature.
Q Okay. Under what circumstances are they keyed into the turnaround document, and under what circumstances are they keyed into Signature?
A The turnaround document was for charges where there was both a technical and a professional

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fee component to the service. So, if there was a technical charge, in some instances, not all, the charge was mapped into a turnaround document.

Q Okay. And under what circumstances are they keyed directly into the Signature?

A They're keyed directly into Signature if the technical charge had not been mapped to the turnaround document.

Q Are you saying then, that if there's no technical charge and it's just a professional charge, it's keyed directly into the Signature System?

A No. What I'm saying is that there is a specific group of technical charges that are mapped to a turnaround document, then it's completed and then sends that file to Signature.

In some instances, there is a technical charge by the hospital, but those charges may not be keyed into the Signature System.

Q Okay. Are you indicating when the doctor bills are keyed into the turnaround system there are -- there's a provision for technical charges and a provision for

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professional charges.

What do you mean by technical charges?

A I'm misunderstanding your question. Can you ask that again, please? I'm not sure --

Q You indicated that when doctors bills are keyed into the turnaround system there are provisions for technical charges and professional charges. What do you mean by technical charges?

MR. JOHNSON: And I'm going to object to the form of the question because I think it misstates the witness's previous testimony.

THE WITNESS: Do I answer the question?

MR. JOHNSON: If you can.

THE WITNESS: Okay. There are no technical charges in the turnaround document. The technical charges do not reside in the turnaround document. The charges that are completed in the turnaround document are professional charges only.

BY MR. ERNSBERGER:

Q Okay. What is a technical charge?

A The technical charge is the hospital's

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component of a service that's been provided to a patient. So it -- it's their costs that are incurred.

Q So, an example of the technical charge might be an x-ray or an EKG; is that right?

A No, that isn't right. There is both a technical and a professional component to both of those examples.

Q Okay. So, as to an EKG, there is a technical charge that the hospital issues a bill for and a professional charge that the doctors issue a bill for?

A That's correct.

Q Okay. Let's take a factual situation and see if we can trace the billing under this situation: A patient comes into the Allegheny General Emergency Room and has an EKG done. I would presume that there is both technical charges and professional charges.

Can you tell me how those charges are processed?

A No. I -- I was not the front end person who processed those charges from the beginning, so, no, I can't tell you that.

Q So, at some point, after the charges are

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processed in the front end, do you receive that information?

A Yes --

Q And --

A -- in my role in Patient Financial Services I did.

Q Right. At what point do you receive the information concerning the technical charges and professional charges of an EKG?

A I do not receive the technical charges of an EKG. I received professional charges.

Q And, when you receive the professional charges, what do you do with them?

A I didn't personally do anything with them. I was the director of that department.

Q What did the people you supervise do with them?

A When the charges entered the Signature Billing System there was a series of edits. Once that charge was transferred over to the Signature Billing System there was a series of edits that occurred in the HDS Billing System prior to the charge being sent out to the insurance carrier.

If the series of edits found that the

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claim was clean, the claim was sent out automatically. If there was an edit that stopped the claim, there was an HDS billing staff member who worked that claim to determine why the claim was stopped and what needed to occur to make that a clean claim.
Q. Um-hum.
A. They would frequently call the front end biller and ask them to clarify information, they provided reports to the front end biller to clarify the information. And, once appropriate information was received back from the front end and the claim was corrected, it was sent out to the insurance carriers.
The billing staff also worked on denials that came back from the insurance carriers and requested information from the front end billing staff when necessary to appeal any denials that were inappropriate.
Q. So, is it correct to say that, in general, it is your staff that makes sure that the claim submitted to the insurance carrier is a "clean" claim?
A. No.

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Q. Who is it that insures that a bill sent to an insurance carrier is a clean claim?
A. It is the front end staff, the physician, and the person who is entering the charge who has the data available to submit the clean claim.
Q. So what is the responsibility of your staff to make sure that a clean claim is submitted?
A. Their responsibility is that we've built in some safeguards to check for things that may not be -- that may trigger a question regarding whether it's a clean claim. And their role is to clarify with the front end staff what the appropriate information on that bill is.
Q. Is it correct to state that your staff must be familiar with what is and what is not a clean claim so that they can do that checking?
A. It's appropriate that they know some information that would contribute to a clean claim. However, they are not on the front end to know what service was actually provided.
Q. Do you know whether Medicare has any rules and regulations as to the billing of EKG's in

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both the emergency room and the hospital in patients?
A. I know what Medicare's regulations are regarding the professional component of EKG interpretation.
Q. Can you please summarize those for me?
A. Medicare, to the -- I am paraphrasing my recollection of Medicare's regulations.
Medicare expects that the emergency room physician who is doing the interpretation of the EKG performed in the emergency room, and is subsequently treating the patient based on that EKG finding, is the interpreting physician of the EKG.
An overread can be performed by a cardiologist and may be billed if additional information is obtained when the cardiologist interprets that EKG and impacts the treatment of that patient.
Q. Okay. So there are circumstances where Medicare will approve the payment of both the emergency room doctor and the cardiologist interpreting the same data; is that correct?
A. That's correct; for the time frame that I was Director of Patient Financial Services.

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Q. And those circumstances where Medicare will approve the payment of both the ER doctor and the cardiologist doctor is when the cardiologist doctor finds something in his interpretation that is different and additional to the ER doctor's interpretation?
A. Not necessarily different, but adds to the value of the interpretation.
Q. Now, if the cardiologist doctor does not find something that adds to the value of the ER doctor's interpretation, then Medicare prohibits billing by the cardiologist; is that correct?
A. Yes, that is correct.
Q. Is there anything that your staff can do to insure that there is no improper double billing for the work of both the ER doctor and the cardiologist?
A. Which staff are you referring to?
Q. The staff that you --
A. And which time period?
Q. -- supervised.
A. During what time period?
Q. Well, we'll start off in the 1997 time period.

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I take it the time period is significant here?
A. Well, I was -- was supervising different staff in different roles.
Q. Okay. You help me break down the time periods. First of all, how should I break them down; is it 1997 to 1998, or is there some other time period that I should be looking to?
A. And I would ask you to break down the time period that you -- that you want me to address.
Q. Okay. In the 1997 time period, was there anything that your staff was to do to prevent double billing, improper double billing to Medicare?
A. At that time period there were edits that were in the HDS System that would recognize potential duplicate charges, and their role at that time was to review that series of claims that had errored out in the HDS System and delete anything that was a duplicate charge prior to sending it to the payer.
Q. Was it also their responsibility to establish the appropriate edit so that the edits would

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find the double billing?
A. No. We went above and beyond by doing that. That was the -- it was the responsibility of the front end staff to correctly enter the number of charges that reflected the service that was provided.
Q. Okay. The front end staff originally enters the charges. However, your staff does edits; right?
A. That's correct.
Q. Who creates the edits that your staff uses?
A. The edits can be created by multiple people.
Q. But -- but --
A. Let me back up. I'm sorry.
The edits are recommended by various people within the department --
Q. Within your department?
A. Within the Patient Financial Services Department. And, in some instances, in many instances, with consultation from the Compliance Department and with the payers, we submit those edits to the HDS company, which was a third party, to build the edits.
Q. Okay. I think we asked in the 1997 time frame what was the responsibility of your

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staff to insure that there was no double billing of ER bills, or improper double billing.
Have you completely answered that question as to the responsibility of your staff in 1997?
A. No. I would say that beyond the actual billing of the claim, if denials came back, they would research the denial and, if appropriate, appeal that claim. And if they found that there wasn't -- they found that there was an overpayment to Medicare, a request would be made to resubmit payment back to Medicare.
However, I do want to restate that it's the responsibility of the front end person who is entering the charge, to enter the correct number of EKG's. There isn't -- the edits are to -- in an attempt to identify something that's a potential error, but there needs to be input from the front end in order to determine if that's an error or not.
Q. You indicated that in addition to your staff doing edits, your staff also responds to denials.

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What is a denial?
A. A denial is a response back from a payer with a reason as to why they will not pay that particular claim.
Q. So, if I understand you correctly, you're telling me that someone from the front end keys in the data, your staff does edits based on the system programs and determines whether the data keyed in on the front end should be sent on to the payer, such as Medicare.
Is that right?
A. Not completely. They verify -- when a question arises, or, if a claim hits an edit, they obtain information from the front end to determine whether that claim should go out the door.
Q. Okay. So your staff is, basically, a doorkeeper, to make sure that the information provided by the front end people is correct and complete, and that billing is appropriate before it is sent out to the insurance provider, such as Medicare?
MR. JOHNSON: Object to the form of the question.
MR. ERNSBERGER: Is that right?

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THE WITNESS: No, it isn't right.
BY MR. ERNSBERGER:
Q Then what service or protection does your staff provide to insure that the bills submitted by the front end are correct when they're submitted to Medicare?
MR. JOHNSON: Object to the form of the question as being asked and answered, at least once, if not twice.
THE WITNESS: Once again, the responsibility of making sure of -- that the charge that's entered is the appropriate charge lies with the front end staff.
The back end staff is responsible for reviewing any edits that have been built in as a safeguard. And if there is a question regarding an edit -- a claim that has edited out in the HDS Billing System, clarification is sought to determine whether that claim should be submitted.
BY MR. ERNSBERGER:
Q Now you also indicated that, at times, overpayments are an issue. Please explain what you mean by that?
MR. JOHNSON: Object to the form of

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the question.
THE WITNESS: There are always instances in billing where the payer may pay a service incorrectly, and when we found that we would submit a request to the Accounts Payable Department to issue a check back to the payer.
BY MR. ERNSBERGER:
Q Can you give me an example of an overpayment?
A A payer paying for a service twice. And when the payment -- the second payment is posted to the account it causes a charge credit in the system. The biller reviews it and requests the repayment.
Q So, if both the ER doctor and the cardiologist doctor do an interpretation, and both bill, and it's not proper for them to both be paid, then there is an overpayment.
Is that what you're saying?
A Yes, I am saying that.
Q Okay. And if your staff finds that there has been an overpayment, then it is the responsibility of your staff to make a refund; is that right?
A It's their responsibility to request the

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refund from the Accounts Payable Department, if they find it.
Q When they request a request from the Accounts Payable Department, what is then next done to actually make the refund?
A I am not certain of the process within the Accounts Payable Department.
Q So, after your staff finds that an overpayment has been made and has submitted that information to the Accounts Payable Department, the responsibility of your staff is over with; is that correct?
A No, it's not over with.
Q Okay. Then what is the continuing responsibility of your department if your department finds an overpayment and submits it to the other department?
A They have no further responsibility in regards to following up to see if Accounts Payable paid that back to the payer.
They do have responsibility to follow up on the accounts if -- as they appear at their work station.
Q What do you mean by that?
A They follow up on -- they continue to work

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denials as they come back from the insurance carriers, and they continue to work the billing edits.
Q When you say that they have responsibility to follow up on accounts, does that include a responsibility to make sure that it does not happen again?
A No. That's not their responsibility.
Q If your staff finds that an overpayment has been made, does anyone in your staff have a responsibility to make sure that kind of overpayment does not happen again?
A It's not their personal responsibility to do that.
Q Does anybody have any responsibility to make sure that overpayment does not happen again?
A If the staff sees that there are -- is a pattern of errors, they would notify either myself or one of the analysts within the department to investigate whether there was an issue.
Q And after your staff notifies either you or an analyst to investigate a pattern of overpayments, what do you do?
A I don't recall there ever being any time

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period where there was a pattern of extensive overpayments, at any point in time that I had to investigate, at this time.
Q. If a pattern of errors is brought to the attention of an analyst, as opposed to yourself, what does the analyst do?
A. I can't speak to what they have done at every point in time. However, they have access to pulling reports, and very frequently would come to me if a question arose that they felt that they could pull a report on, but not related to overpayments. That was not -- I do not recall, at this time, ever being asked to pull a report because of an overpayment, or a pattern of overpayment.
Q. Have there -- have you participated in any investigations concerning Medicare billings?
A. Can you clarify that?
Q. Concerning -- have you participated in any investigation of overpayments by Medicare?
A. I have -- I've had individual instances where a biller may have brought an overpayment of a Medicare claim to me and submitted a form to me requesting a repayment.
Q. So, to your recollection, you've never

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investigated any pattern of overbilling to Medicare?
A. I do not personally recollect conducting an investigation or participating in an investigation regarding Medicare.
Q. Now, you've asked me to limit my questions to the 1997 time frame because, apparently, there was something important about that time frame. And so now I have to ask the same questions about 1998.
In 1998, did your staff have any responsibility for stopping or identifying double billing?
A. They had the responsibility of reviewing any claims that had edited out of the HDS Billing System and obtaining further clarification from the front end staff as to what was appropriate to bill.
Q. And did they use edits at that time to identify potential overbilling problems?
A. Yes, they did.
Q. And, if they found something through an edit, did they follow up with it to insure that there was no double billing?
A. They followed up with it in an attempt to

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obtain information from the front end staff as to whether what was in the system was an appropriate bill.
Q. Did they ever follow up to make sure that their edits were correctly and fully identifying overbilling?
A. Yes.
Q. What did they do to insure that their edits were correctly identifying overbilling?
A. Before an edit was installed, it was tested. However, the edits were a safeguard of what had already been entered from the front end. So, all possible scenarios of what could cause double billing could not be built into an edit, but it was a safeguard to try to correct any human error from the front end.
Q. Do you know whether there were any corrections to the editing procedure that were used in 1998?
A. There were additions at various points in time, as I recall, and I can't recall specifically. There were many edits in the system.
Q. And was it the responsibility of your staff to insure that the edits were the most

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appropriate for identifying overbilling?
A. It was the responsibility of my staff to make an attempt at constructing an edit that would potentially correct any errors that occurred on the front end.
Q. Do know whether in 1998 any patterns of overbilling were identified and reported to either you or an analyst?
A. I don't recall that at this time. I don't recall any pattern of overbilling.
Q. Let's move on to 1999. In that year was your staff responsible for reviewing the bills to make sure that there was no overbilling?
A. It was my staff's responsibility to review the HDS edits, the claims that had errored out of the system, and verify with the front end that the claims that had errored were appropriate to bill.
Q. And in 1999 was it also your staff's responsibility to establish and maintain the appropriate edits so as to find those errors?
A. It was my staff's responsibility to suggest edits that might capture errors that were made by the front end.
Q. Do you know whether there was any overbilling

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in 1999?
A I don't recall specific instances of overbilling.
Q Do you also have no recall of any pattern of overbilling?
A No, I don't recall a pattern of overbilling.
Q The year 2000, was it your staff's responsibility to oversee the bills that came in to insure that they were not -- that there was no overbilling?
A No. It was their responsibility to review the HDS edits to determine if there was a potential error in the billing on the front end staff's part, and to seek clarification when necessary.
Q And was it, again, the responsibility of your department to establish the appropriate HDS edits, or at least recommend them so that they would be established?
A Yes.
Q And, in the year 2000, did you observe any patterns of overbilling?
A No, I did not.
Q In the year 2001, was it still the responsibility of your staff to look for

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overbilling coming through your department?
A It was their responsibility to review the edits and the claims that errored out of the HDS Billing System and seek clarification as to whether it was appropriate to bill the claim.
Q Okay. In beginning of this series of questions it was important that I specify the time frame. Okay? You told me it was important.
Why? Apparently, your answer is the same no matter whether I ask about 1997 or 2001.
MR. JOHNSON: Well, I'm going to object to the question because I think the witness was indicating through her response that it was important for her to know what period of time you were questioning her about.
And, if I recollect how this transpired, it transpired through you beginning the series of questions by positing to the witness that the witness should tell you what period of time to ask questions about. So, she simply said, you're the one who should

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identify the time that you want the questions to pertain to, which I think is entirely appropriate. And I don't think the witness ascribed any particular importance to one year versus another.
BY MR. ERNSBERGER:
Q Is your attorney's testimony correct and do you adopt it?
MR. JOHNSON: It's not my testimony, it's my recollection.
THE WITNESS: The only thing that I would add to that is that I was promoted in the fall of 1997 and also had a superior at that time.
BY MR. ERNSBERGER:
Q So, in general, the process of billing through your department remained the same from 1997 through 2001?
A No, I would not say that that's true.
Q How has it changed?
A In 1998 my superior left and -- and there was a restructure of the departments, of all of the Finance Department. So the process was changed at that point in time -- changed at that point in time.

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Q Was there any point in time when the processing became less effective, the processing of bills and finding overpayments? Did it become less effective at any time?
A Not to my recollection. I would say that it became -- that it was very effective.
Q I'd like to show you a document that I will mark as Exhibit No. 1.
(Whereupon, Exhibit No. 1 was marked for identification.)
BY MR. ERNSBERGER:
Q This is dated July 31, 1998.
A (The witness reviews the document.)
Q Do you see that that's a three-page document?
A I'd like the opportunity to read it. It is three pages, yes.
(The witness reviews the document.)
MR. JOHNSON: Are there additional documents that go with the third page?
MR. ERNSBERGER: I think our Exhibit 2 is going to be additional documents, and there may even be an Exhibit 3.
MR. JOHNSON: The reason that I ask

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is that the third page of the document tendered to the witness is entitled at the top Audit Results, but it does not appear to be the complete document.

MR. ERNSBERGER: Well, let's mark the third page as Exhibit No. 2.

(Whereupon, Exhibit No. 2 was marked for identification.)

BY MR. ERNSBERGER:

Q Directing your attention to Exhibit No. 1, can you tell me what that refers to? What is it?

A It's a letter from Medicare.

Q And it's from Medicare and addressed to whom?

A Mr. DeFabio, Mr. Louis A. DeFabio.

Q And who is he?

A He was also a Director of Patient Financial Services during this time period.

Q Were you and he both Directors of Patient Financial Services during that time period?

A Yes.

Q Do you know why it was brought to his attention, as opposed to yours?

A Because this area was not my responsibility.

Q Are you familiar with the subject matter of

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that letter?

A No, I'm not.

Q Do you know where Mr. DeFabio is today?

A No, I don't.

Q I take it he is not an employee of Allegheny General, to your knowledge?

A I -- I don't know if he is.

Q Now, after reading that document, do you have an understanding of whether it makes reference to an audit?

A It states that it's regarding an audit result. In the title it says the audit results.

Q From that document, can you determine what audit results were being discussed?

A Yes. In paragraph four it identifies the procedure codes that were being audited.

Q And what were the procedure codes being audited?

A 99284GC and 99285GC.

Q Does the document describe why those procedure codes are being audited?

MR. JOHNSON: I'm just going to object to the series of questions because I think the document, Exhibit No. 1, speaks for

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itself. I mean, the last --

MR. ERNSBERGER: Your objection is noted.

MR. JOHNSON: -- the last five questions have all just asked the witness to read things from what the exhibit states.

MR. ERNSBERGER: Go ahead and answer the question.

THE WITNESS: Can you please repeat the question?

BY MR. ERNSBERGER:

Q Does the document say why those procedure codes are being audited?

A Yes, it does.

Q And what does it say?

A That you were chosen for an audit -- I'm quoting this directly from the document. "You were chosen for a audit because an unusual reporting frequency was identified for procedure code 99284GC, as compared to your peer group."

Q Now, in this audit letter Medicare is talking about a procedure code, 99284GC. What does that procedure code relate to, to your knowledge?

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A I would not have known what this procedure code was except that it is identified later in the document.

Q And what is it related to?

A Actually, it's in the Exhibit No. 2 document, 99284GC is an Emergency Room Department visit -- and I'm reading this directly from the document -- for the evaluation and management of a patient, which requires these three key components: A detailed history; a detailed examination; and a medical decision making of moderate complexity.

Counseling and/or coordination of care with other providers or agencies are provided consistent with the nature of the problem -- problems -- and the patient's and/or family's needs.

Usually, the presenting problem/problems are of high severity, and require urgent evaluation by the physician, but do not pose an immediate significant threat to life or physiologic function.

MR. JOHNSON: And, just for the record, that concludes this first page, and we don't have whether there are any

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subsequent pages.
BY MR. ERNSBERGER:
Q Referring to the audit letter again, Exhibit No. 1, can you tell us what the conclusion of the audit is?
A It states in the document -- I'm quoting this -- "These claims and their corresponding medical records were audited with our findings resulting in a potential overpayment of $26,979, which includes an actual overpayment of $1,015.80 for the thirty beneficiaries."
Q Can you tell from that document what overpayment is being referred to?
A I don't understand what you're asking me.
Q What overpayment are they talking about, overpayment for what service?
A They're referring to this procedure code, 99284GC. It's indicating that there were thirty beneficiaries included in the audit.
Q When did this document first come to your attention?
A Today.
Q Did it come to your attention because I handed it to you, or did somebody else bring

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it to your attention?
A Because you handed it to me.
Q Do you know whether anything was done by your staff to make sure that the overpayments identified in that audit did not reoccur?
A I had no knowledge of this audit, of the overpayment, or of any subsequent changes that occurred.
Q Would Mr. DeFabio know whether anything was done to insure that no overpayments would reoccur?
MR. JOHNSON: Objection, calling for speculation on the part of the witness. I object to the form of the question.
BY MR. ERNSBERGER:
Q Have you ever talked to Mr. DeFabio?
A I've talked to Mr. DeFabio, but not about this subject.
Q So, you're unaware of whether he did anything to prevent these kind of overpayments from reoccurring?
A That's true.
Q Are you able to tell me what should be done to prevent these kind of overpayments from reoccurring?

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A I'm not able to say that at this point in time, because I don't know what caused it.
Q Is it correct to say that in order to keep these overpayments from reoccurring, the cause should be determined?
A Certainly.
Q Do you know whether Mr. DeFabio or anyone on your staff determined the cause of these overpayments?
A No, I do not.
Q Would it be appropriate for Mr. DeFabio or someone on your staff to determine the cause of these payments so that they would not reoccur?
A Not necessarily.
Q Why not?
A Because this is an evaluation of management codes and it's not possible for somebody in the billing office to know the extent of the service that we provided to the patient or the documentation that was placed on the chart --
Q So, in order to --
A -- at the time of billing.
Q So, in order to determine the cause, your

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office would have to go to the front end people and ask them. Is that what you're saying?
A No, that's not what I'm saying.
Q Well, how would your people determine the cause?
A It was not the responsibility of the people within that department to determine the cause.
Q How would anyone determine the cause of these overbillings so as to prevent them from reoccurring?
A I'm not going to speculate on that. That wasn't an area of my responsibility.
Q Whose responsibility was it to insure that these overpayments would not reoccur?
A I don't know who was in place at that time that would be responsible for that.
Q Would Mr. DeFabio be responsible to insure that these kinds of overpayments did not reoccur?
A No, he would not be.
Q Can you tell me the category of person who would be responsible to make sure that these kinds of overpayments did not reoccur?

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A It would have -- I mean, it's the responsibility of the person who is providing the service to correctly identify the level of services they provided.
Documentation can be compared to the level of service provided and an auditor is somebody who would find those type of issues.
Q Can you give me a name of an auditor who would be the kind of person that would be responsible for insuring that this would not reoccur?
MR. JOHNSON: Object to the form of the question.
THE WITNESS: No, I don't know the name of an auditor that would be responsible for this particular practice.
BY MR. ERNSBERGER:
Q Does the hospital have such a person, an auditor, who would be responsible for making sure that this would not reoccur?
A The hospital has a Compliance Department and they do employ auditors.
Q So, someone in the Compliance Department would be responsible for making sure that this kind of overbilling did not reoccur?

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A I don't think that it would be their responsibility to -- it would be their responsibility to educate.
It's the responsibility of the person who is providing the service to accurately reflect the level of service that they provided.
Q So, would it be the responsibility of someone in the Compliance Department to educate the billers so that this kind of overpayment would not reoccur?
A I would be speculating as to whether that was their responsibility at that time. I don't know that.
Q Well, who would be responsible for educating the billers so that this kind of overpayment would not reoccur?
A I don't know who was responsible for educating the front end staff.
Q Do you know whether the people responsible for educating the front staff were made aware of this audit?
A I wasn't even aware of the audit, and, therefore, I'm -- I don't know what occurred as subsequent events related to this audit.

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Q Would Mr. DeFabio be the person to make the front end people aware of these audit results so they would not reoccur?
MR. JOHNSON: Objection. Improper foundation, it calls for speculation.
THE WITNESS: I don't know.
BY MR. ERNSBERGER:
Q Do you know the title of the person who would be responsible to tell the front end staff the nature of this audit so it wouldn't reoccur?
A No, sir, I don't know who was responsible to notify the front end staff of this issue.
Q What is the date of that document again?
A July 31st, 1998.
Q Next I'd like to show you an e-mail from Chet Cornman to Kathy Imhof, the subject is Re: Kathy Deloplaine. And I'll have this marked as Exhibit No. 3.
(Whereupon, Exhibit No. 3 was marked for identification.)
(The witness reviews the document.)
Okay.
BY MR. ERNSBERGER:
Q May I see the document?

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A (The witness hands over the document.)
Q Who is Chet Cornman? What position does he hold at AGH?
A He's currently the -- I don't know what his title is. He's employed in the Cancer Center at Allegheny General currently.
Q Now, back in '01, where was he employed?
A He was employed in cardiology at that time, as the Director of Cardiology.
Q And he's writing this memo to Kathy Imhof. Who is Kathy Imhof?
A Kathy Imhof was the administrative secretary within the Division of Cardiology.
Q Now, this EKG [sic] says that the subject matter is, Re: Kathy Deloplaine. Why are you identified as the subject matter of this EKG? Do you know?
MR. JOHNSON: Objection. It calls for speculation.
BY MR. ERNSBERGER:
Q You don't know?
A No, I don't know.
Q Okay. It says that the problems noted in EKG billing are complex and will be coordinated by Internal Audit, myself, and Kathy

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Deloplaine.
Do you know what problems this memo refers to when it says: "The problems noted in EKG billing "
A No, I didn't know at that time.
Q Do you know now what problems are referred to as the problems noted in EKG billing?
A I know that there was a series of meetings that were set up to look at EKG billing.
Q Do you know what problems were being looked at as to EKG billing?
A They were looking -- the subject of that is the double billing of EKG's, potential double billing of EKG's.
Q So, when you're referring to potential double billing of EKG's, are you saying that there is a potential that the EKG's are being billed both in the emergency room and in the Cardiology Department, and that they're not supposed to be billed by both departments to Medicare?
A What I'm saying is that somebody from the front end thought that there was a possibility that the EKG's were being billed -- being double billed.

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Q Who was it in the front end that suggested the possibility that the EKG's were being double billed?
A I don't know who brought that to Chet Cornman's attention.
Q The next line refers to: Cindy is setting up a meeting tomorrow. Who is Cindy?
A She's referring to Cindy Hartman, who is copied on that e-mail.
Q Now, you indicated that there were a number of meetings that were set up and did occur concerning EKG double billing; is that right?
A After that memo.
Q Um-hum. Do you know who participated in the meetings concerning EKG double billing following this memo?
A I know that some meetings occurred without me being there. I can only speak to the ones that occurred while I was there.
Q How many meetings occurred while you were there?
A I believe there were three formal meetings.
Q This memo is dated June 19, 2001. How soon after this memo was written were the three formal meetings done?

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A I believe the first formal meeting was in, I believe it was in January.
Q This memo is in June.
A Correct.
Q June 19th '01.
A Correct.
Q So, you're indicating that the first formal meeting following the issuance of this memo was in January of '02?
A The first one that I participated in was in January of 2002, to the best of my recollection.
Q And then you indicated that you participated in three formal meetings, and the first one was in January of '02.
When was the next one?
A I believe it was later that same month. It was in the time frame of late January or early February of 2002, but I don't recall the date exactly.
Q Then the third formal meeting in which you participated was; when?
A That occurred in February of 2002.
Q Do you know whether there were any meetings between June 19, 2001 and January of '02 that

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other people participated in and you did not?
A I recall hearing that the meeting with Cindy Hartman and other front end billers occurred, but I don't recall the time frame that I became aware of that.
Q Now, this memo is dated June 19, 2001, and it says that Cindy is setting up a meeting for tomorrow.
Is it your understanding that the meeting Cindy set up actually occurred on the next day, June 20th '01?
A I don't know when it occurred.
Q Do you know whether it occurred at or about June 19th or 20th?
A I don't know.
Q Are you aware that a meeting did occur?
A I can't say that with certainty.
Q Why do you think that a meeting did occur at all?
A I don't know why.
Q Now, you indicated that you thought a meeting did occur in which Cindy Hartman participated. What basis do you have for that thought or belief?
A I am not certain how I came to the conclusion

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that there was a meeting without me present. But, at some point in time, in conversations following that date, I had the understanding that a meeting did occur.

Q Now, the memo goes on to say: The problems noted in EKG billing are complex and will be coordinated by Internal Audit, myself, and Kathy Deloplaine.

When it refers to Internal Audit, what does this refer to?

A I'm not certain what Chet was referring to.

Q Is there an organization at AGH known a Internal Audit?

A I believe there is, but I don't know that for certain.

Q And it says: The problems noted with EKG billings will be coordinated by Internal Audit, myself, and Kathy Deloplaine.

Did you coordinate any meetings with Internal Audit and Chet Cornman?

A I coordinated the meetings that began in January.

Q Do you know why no meetings were coordinated prior to January?

A I don't know that no meetings were

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coordinated prior to January. I only know of the meetings that I coordinated, which were in January.

Q Do you know why you didn't coordinate any meetings prior to January?

A Yes; because there were other processes that were in place that my component of the EKG billing was to make certain that the professional component, which is the interpretation of the EKG's, my involvement only was related to the professional component of the EKG's.

And I verified with Cindy in a conversation that she was receiving the hard copies of every EKG so that she could determine exactly how many EKG's should be billed -- the interpretations should be billed; and that she was separating out the Medicare EKG's from the emergency room, from the other EKG's so that she would know not to bill those, that they would be billed with a zero dollar charge.

Q When did you come to this understanding?

A What understanding? I'm sorry.

Q The one that you just described, that Cindy

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was getting the hard copy of the EKG's and would be taking certain steps after that?

When did that -- when did your knowledge that she was doing that come to you?

A That had been my recommendation several months prior to the June memo. And in August when -- sometime between the time the memo was issued and, I would say in the summer of that year, I had spoken to Cindy on the phone and confirmed with her her process of entering the charges on the professional components and verifying that she was receiving the hard copies of the EKG's from the hard station and was sorting out the Medicare EKG's from the rest of the EKG interpretations.

Q Now, at the beginning of your answer you said, "That was my plan before the June memo." And, perhaps you misspoke, because after your original statement you talked about things that were happening after the June memo.

Can you clarify for me when you developed this understanding with Cindy Hartman that she would get hard copies of the

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EKG's? Was it before or after this June memo?

A It was before the June memo. For many, many months, probably close to a year at least, she was to be receiving the hard copies, and that was at my recommendation to safeguard any double billing.

And, after the June memo, I confirmed with Cindy that she was continuing to follow that process.

Q Okay. So many months before this June memo you talked to Cindy Hartman about getting the hard copies of the EKG's so as to prevent double billing?

A That's correct.

Q How did it come up to your attention many, many months before this June memo that that was an issue?

A There were occasional occurrences of EKG denials that were coming back from Medicare stating that it was a duplicate.

However, I knew that just because it stated that it was a duplicate charge, didn't necessarily mean that it was truly a duplicate. But putting that process into

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place was a safeguard that the charge was not going in more than one time.
Q And the process you put in place was to tell Cindy Hartman to pull the hard copies and do what?
A She would sort the EKG's out so that the Medicare EKG overreads that -- of EKG's performed in the Emergency Department would be processed separately and placed in the system as a zero dollar charge.
Q Now, when you told Cindy Hartman that she should get these hard copies and process them -- evaluate them and process them separately for emergency room charges, was there any correspondence or e-mail or anything to confirm your instructions?
A I don't recall of any formal document or e-mail instructing Cindy, but I spoke to her many times on the phone regarding her billing process.
Q Do you have a billing protocol that is written so that people can read the sequence of things that they're supposed to do and follow that sequence?
A I was not responsible for the front end

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charge entry --
Q Okay. Well --
A --piece of that that -- let me complete the answer on that.
There was a formal document as to how to complete the charges and the turnaround document.
Q So there is a formal protocol, a list of instructions as to how to handle turnaround documents?
A There is a formal document that outlines how the turnaround document works and how to enter the data into that turnaround document.
Q And does this formal document say that Cindy Hartman is to get hard copies and compare them with something else to insure that no double billing is made?
A No.
Q Why do you have a formal document as to some things, but you don't have a formal document as to these other things?
MR. JOHNSON: Objection to the form of the question.
THE WITNESS: It was not my responsibility to identify -- or to map out

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the process that Cindy follows on the front end, or how she arrived at -- how she received the information and the process that she would follow to get that.
BY MR. ERNSBERGER:
Q So you would refer to Cindy Hartman as a front end biller, is that -- would that be a proper characterization of her responsibilities?
A Yes.
Q Okay. And who was supervising Cindy Hartman and her front end billing?
A Chet Cornman was the Director of Cardiology at that time.
Q Did you talk to Chet Cornman about establishing a formal protocol as to how to get hard copies and make the proper comparison to avoid double billing?
A I don't recall specifically talking to Chet Cornman about writing down every item of how you would enter a charge or formalizing my recommendations for improving their accuracy.
Q Do you know whether you made that recommendation to Chet Cornman?
MR. JOHNSON: Made what

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recommendation?
BY MR. ERNSBERGER:
Q Was he aware of your recommendation to Cindy Hartman that she pull hard copies and make a comparison?
A Chet Cornman would have been aware that she was doing that, at least by the meetings in January, because that was discussed at that point in time, that that safeguard was one of many that was in place to prevent the double billing, and he attended that meeting.
I can't recall any specific instances or conversations that I had with Chet, but it's my recollection that he would have known that she was doing that.
Q Are you aware of any e-mails or other correspondence to or from Chet Cornman that would tell him that Cindy Hartman is to pull hard copies and make a comparison to avoid overbilling -- double billing?
A No, I don't recall any specifically.
Q Now, in terms of pulling hard copies, what do you mean by that? What is Cindy Hartman to do to physically pull a hard copy?
A She would need to communicate with the staff

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in the heart station and obtain the printout of the EKG.
Q So what does she do with the printout of the EKG?
A Once again, she would sort the printouts by -- so that the Medicare patients who had a place of service of E, which indicates that the patient's EKG was done in the emergency room, that these would be separated from the rest of the EKG interpretations and entered as a zero dollar charge.
Q Well, this memo of June 19th '01, is this memo a response to your instructions to Cindy Hartman that she should pull these hard copies and make the comparisons?
MR. JOHNSON: Objection.
THE WITNESS: I'm really confused by your question.
MR. JOHNSON: No foundation. I think the question is inconsistent with the witness's previous testimony.
BY MR. ERNSBERGER:
Q This memo that's marked as Deposition Exhibit 3, does it have any connection with your instructions to Cindy Hartman that she

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pull hard copies and look for overbilling?
A It precipitated me verifying with Cindy that she was following a former process that was in place already.
Q I don't understand your answer. Could you say that again?
A Can you ask me the question again, because I thought I was answering the question?
Q Does this memo have any connection with your instructions to Cindy Hartman that she pull hard copies and check for double billing?
A I don't know if it has a connection, because I'm not certain what billing issue she was identifying, or the reason that she was calling the meeting at this time, to the best of my recollection.
Q Is it your contention that Cindy Hartman was following your instructions when she, basically, called that meeting identified in that memo?
A No. It is not my contention that she called that.
Q Is it your contention that Cindy Hartman was following your instructions when she discovered overbilling of EKG's?

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MR. JOHNSON: Well, I'm going to object to that as lacking any proper foundation. And I also object because I think the language used in the question is vague and ambiguous. I'm not quite sure what you're asking.
BY MR. ERNSBERGER:
Q After you told Cindy Hartman to get hard copies and look for double billing, did she give ever get back to you?
A My instruction was not to look for double billings, because there would not have been billing on the Pro-Fee side at that time.
My instruction to her was, in order to safeguard against incorrectly entering the charges and her entering duplicate charges, that her safeguard was to obtain the hard copies so that she was certain of the number of EKG's that were actually done, and that she sort out the Medicare Emergency Room patients from the rest of the population.
Q After you gave her those instructions prior to June of '01, did she get back to you?
A I don't recall specific conversations with Cindy that indicated that she was doing

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this.
However, she was -- she had specific conversations with my staff member, who was a team leader, and indicated that she was pulling the hard copies.
And, ultimately, those hard copies began to come over to our billing department so that we could further verify that -- or so that we would have another mechanism of edit when we were doing accounts receivable follow-up.
Q Okay. Who was the member of your staff that she confirmed this with?
A I'm saying that she had conversations with my team leader, who is Mary Beth Hietsch.
Q May I see Exhibit 3 again?
(Mr. Ernsberger reviews the exhibit.)
Now, you make a reference to Mary Beth Hietsch, are you referring to the same Mary Beth that appears on this document?
A Yes. Mary Beth Hughes is her maiden name.
Q So, after you told Cindy Hartman that she should pull the hard copies and check for this kind of billing, double billing, this memo was issued which is marked Exhibit 3.

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Now, in this memo it says that Cindy is setting up a meeting for tomorrow, and I think ED people -- I think with ED people about EKG billing in the -- stopped by -- Cindy has set up a meeting.

Can you tell me what this is all about?

MR. JOHNSON: I'm sorry?

MR. ERNSBERGER: This is incomprehensible to me. Can you help interpret what that means?

MR. JOHNSON: I have no idea what your question is at this point. What are you asking the witness?

BY MR. ERNSBERGER:

Q The question is: Can you tell me what's going on in this memo, your interpretation of what it says?

A I didn't write this memo.

Q Okay. Well, still your interpretation of what it means.

MR. JOHNSON: Objection, calling for speculation.

MR. ERNSBERGER: I'm asking you for your interpretation, there's is no speculation in that.

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MR. JOHNSON: Well, there is. You're asking for her speculation.

BY MR. ERNSBERGER:

Q Tell me what you understand from that memo.

A I understand that Chet Cornman received an e-mail from Kathy Imhof stating that Cindy was calling a meeting regarding the EKG billing. And Chet was indicating that the EKG billing is very complex and that the meeting needed to be coordinated by somebody other than Cindy.

Q Instead of Cindy coordinating it, it was to be coordinated by Internal Audit, Chet Cornman and yourself. Is that a correct interpretation of that document?

A It's a correct interpretation of what Chet is stating in his memo.

Q Did you have any objection to Cindy calling a meeting concerning overbilling?

A Yes, I did.

Q What objection did you have to Cindy calling a meeting concerning overbilling?

A Cindy did not have the expertise to handle a meeting regarding EKG billing. And my objection was that she was not the person to solve a problem if, indeed, a problem existed.

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Q Did you tell her that it was not her place to call a meeting?

A I told Chet Cornman that it was not her place to call a meeting regarding EKG billing, that it was too complex, and the right people needed to be in the room to determine whether there was a problem and how to solve it if there was.

Q So, the people responsible for solving this problem was not Cindy Hartman, it would then be the Internal Audit, Chet Cornman and yourself?

A No. It would be multiple -- we would need the input of multiple people to determine if there was a problem, and, if there was, to come up with a solution to that problem. It wasn't isolated to Cindy.

Q Now, at the end of this memo it says: Kathy does not think Cindy is the one to do this (I obviously agree). Mary Beth Hughes told Kathy.

What is your understanding of that sentence? What did Mary Beth Hughes tell

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Kathy?

A Can I see that again, please?

Q (Mr. Ernsberger hands over the document.)

A I think it's simply stating that Mary Beth Hughes was the person who told me that Cindy was coordinating a meeting.

Q Okay. I've been looking through the collection of documents received in this case and I'm unable to find any documents that describe a follow-up to this June 19th '01 memo prior to January 10th '02, like six months later. There's a gap of six months. And I don't see any documents that fill that gap.

Are aware of any documents that fill that gap?

MR. JOHNSON: Object to the form of the question.

THE WITNESS: Can you please rephrase that for me?

BY MR. ERNSBERGER:

Q In looking through the documents I've received from counsel, I don't see any documents that refer to EKG double billing from June 19th '01 to January 10th '02.

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Are you aware of any documents that discuss EKG overbilling between that period of time?
A I'm not aware of any documents that use the term EKG overbilling.
Q I don't see -- looking through the documents provided by defense counsel, I don't see any documents that relate to the subject of this memo in Deposition Exhibit No. 3 for the period of time from November 19th '01 to January 10th '02.
Are you aware of any documents that relate to the subject matter of this memo?
MR. JOHNSON: I object to the form of the question. I don't believe that it's proper, in the context of the question, for you to offer your evaluation of the thousands of pages of discovery that have been produced.
You can certainly ask this witness any question regarding her own knowledge, but please don't put in, as part of the question, your evaluation of the discovery.
BY MR. ERNSBERGER:
Q Are you aware of any documents concerning the

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subject matter of EKG billing, as addressed in this memo, between the dates January 19th '01 and -- I'm sorry, June 19th '01 and January 10th '02?
A The only thing that I can think of is that there is an e-mail that refers to the fact that the MUSE System, which I requested, be installed into the Pro-Fee Billing Accounts Receivable follow-up area; that that system had finally been installed, at my request, so that the back office billing staff would be able to see the printout of the EKG's that had been entered -- that had been performed, I'm sorry.
Q Okay. You're saying that at your request someone was to be given access to the MUSE System.
What are you talking about?
A The MUSE System is an EKG management system in which you can view the image of the EKG that was performed on the patient.
Q And when did you make the request that someone have access to the MUSE System?
A I don't recall the first time that I requested it, but it was sometime in early

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2001.
Q And who did you want to have access to the MUSE System?
A The back office staff and, specifically, Mary Beth Hughes.
Q And you wanted Mary Beth Hughes and her back office staff to have access to the MUSE System for what reason?
A So that if there was an HDS edit that stopped the claim from going out the door, that identified it -- identified the claim as an emergency room patient who was Medicare and had an overread by one of the electrophysiology physicians, that she would be able to look into the MUSE System and see if there was an EKG that was appropriate to be billed by the electrophysiology physicians. She would be able to view the number of EKG's that had been performed.
Let me rephrase that. She would be able to look at the actual EKG strips.
Q Was your request that this back office person be able to see the MUSE information intended to prevent double billing or overbilling from the ER?

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A It was intended to be one of a series of many edits in a complex system that would identify possible incorrect keying of the charges from the front end staff.
Q So this is one of many possible edits. Was your instruction to Cindy Hartman that she get hard copies a second possible edit? Was this a coordinated effort?
A Yes.
Q So the --
A The hard copies from Cindy preceded the MUSE System being available to the back office staff.
Q Okay. So, you recognized that there was a problem, or, a potential problem, with double billing in the emergency room. And the steps you took were, first, to tell Cindy to look at the hard copies, and, second, to establish access to the MUSE System by the back office staff?
A I recognized the potential of -- that Cindy could incorrectly enter a second charge. And my recommendation to her, to prevent her from doing that, was to obtain the hard copies of the EKG's to prevent her from entering a

second charge when it was not appropriate.
Q And was that one step toward a coordinated effort to avoid double billing, the second step being this connection with the MUSE System, or is there no connection at all?
MR. JOHNSON: I'm going to object to the form of the question.
THE WITNESS: There were multiple steps that were taken besides what Cindy was doing. And, as I stated earlier, we built in editing systems within the HDS System.
BY MR. ERNSBERGER:
Q Okay. What were the multiple steps used to avoid double billing? Cindy Hartman looking at the hard copy is one of the multiple steps. What are the others?
A Once again, HDS edits were built in to stop the claim once she had already entered the charge that could potentially be double billing. Another step was the MUSE System was available to the back office staff.
Prior to the MUSE being installed in the back office staff, Cindy was sending the hard copies that she had been using to the back office to verify the number of EKG's.

Q So, was it Cindy's job to obtain the hard copies and send them to the back office for verification, or was it her job to obtain the hard copies, verify it herself, and then send it to the back office for their verification?
A It was Cindy's responsibility to make sure that she was entering the number of charges that were a correct reflection of the services that were provided on the front end.
It was my recommendation that she use the hard copy to insure that that's what she was doing. And, as a next step, she was sending the hard copies that she had reviewed to the back office staff so that it would also be available to them.
Q Now you've indicated these multiple steps that were put in place to stop double billing of emergency room charges. Were they put in place before or after this June 19th '01 memo marked as Deposition Exhibit No. 3?
A There were many things that were in place, as I stated earlier, to catch potentially incorrect claims that may have been entered by the front end staff. And -- I'm sorry.

Q So the directions to Cindy Hartman to get a hard copy, I take it that was before this June memo?
A Yes, it was.
Q Okay. The HDS edits that were made, were they before or after this June memo?
A Installing HDS edits was an ongoing thing that occurred within the Patient Financial Services Department, and there were many edits in place prior, and some after the memo.
Q Okay. Edits pertaining to double billing from the emergency room?
A Edits pertaining to charge entry, incorrect charge entry from the front end.
Q Okay.
A At that point in HDS they had not been billed out to payers.
Q Now, the MUSE System, and making it available to the back staff, was that before or after this June memo?
A The request was prior. The installation was after, to the best of my recollection.
Q And your instructions to Cindy Hartman for her to send hard copies to the back office

staff, was that before or after this June memo?
A I don't recall being the person who requested that. She and Mary Beth Hietsch coordinated the sending of those back and forth.
MR. ERNSBERGER: It's noon, do you want to take a break for lunch or do you want to take a ten-minute break or what?
(Whereupon, a short break was taken at 12:00 for lunch.)
BY MR. ERNSBERGER:
Q Good afternoon. I would like to direct your attention to the next exhibit. We'll mark that Exhibit No. 4.
(Whereupon, Exhibit No. 4 was marked for identification.)
BY MR. ERNSBERGER:
Q I think we've already talked about this one briefly, it's the memo of January 10, 2002.
A (The witness reviews the document.)
Q Are you the author of some part of that e-mail?
A I am.
Q Can I see it? Now, there is a reference to the MUSE System. Is that what we were

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talking about earlier today, a computer system that allows the back room to see what's going on?
A. We did talk about the MUSE System, which is an EKG management system that's typically used by the front end. And, yes, we -- I requested that it be installed in the back office.
Q. And does this memo indicate that it was installed in the back office?
A. Yes, it does.
Q. And following the installation of the MUSE System, was it your conclusion that,"I think it is apparent that we are billing the overread of Medicare EKG's that were billed out to the ED by the ED doctors."
Was that your conclusion based on the -- what you found through the MUSE System?
A. My conclusion was that when -- when the biller on the back end was reviewing claims that edited out of the HDS System, and went back into the MUSE System to verify the number of EKG's that were actually in the system, that there was more than there should have been that came across and hit the edits.

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Q. Now, you indicated in this memo that, "This is something that we were cited for a few years back."
What are you referring to there?
A. I'm referring to my knowledge that prior to my assuming my position in Patient Financial Services as the director there, that Medicare had performed an audit and that we had to pay back monies for overreads by cardiologists of the emergency room physicians' EKG reads.
Q. Can you look at Exhibit No. 1 and tell me whether that is the audit that occurred a few years back?
A. This audit occurred in 1998 and does not reference the ER EKG's.
Q. So that the audit that you're referring to in this, Deposition Exhibit No. 4, that audit is not the same as Exhibit 1?
A. No, it's not.
Q. How would I find the audit that you're referring to in Exhibit 4?
A. I don't know how you would find that.
Q. Who would I ask within the administration of AGH to find it?
A. I'm not certain who you would ask. But my

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understanding is that Compliance would have -- the Compliance Department, during the time that the audit was performed, would have had some knowledge of that and the record of that.
Q. Okay. If I were to ask your Compliance Department for the audit that you're referring to here, what words should I use to make the request, to properly request it?
A. I guess I would ask for ask -- ask if they had in their possession any Medicare audits referencing emergency room EKG overreads.
Q. When you make a reference to "a few years back," you indicated that was before your time.
How long before your time? Do you know?
A. I'm referencing a time before I was in a position where I would have had responsibility for that, or had personal knowledge of what was contained in the documents or in the audit.
Q. Okay. When you say a "few years back," how many is a few? Do you know?
A. It was prior to my -- it was either 1997 or prior to that, to the best of my

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recollection. I don't recall the exact date.
Q. What do you recall of that prior audit that AGH was cited for a few years back?
A. The only thing that I recall is conversations that occurred with the previous administration of Patient Financial Services that there had been an audit of the emergency room.
Q. So, who did you talk to in the previous administration?
A. My former boss, Cynthia Malecia (phonetic).
Q. So, she might -- would she have a better understanding of the audit that was done a few years back?
A. I can only -- that would be speculation, but --
Q. She's the one that told you about it?
A. Yes.
Q. Do you know where she is today?
A. No, I don't.
Q. After this particular memo was written you indicated that there were several meetings that you participated in; is that right?
A. There were three meetings that I recall.
Q. Yes. And over what period of time did those

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meetings take place? Was it a matter of weeks or months or longer?
A. The first meeting occurred at the end of January, as I stated earlier. The next meeting occurred a couple of weeks later, and I don't recall if that was the end of January of 2002 or the beginning of February. And the third meeting occurred in February.
Q. Okay. And, after the third meeting, was there any resolution of this issue of how to stop these overbillings?
A. There were -- there was no conclusive evidence that there was any double billing that was occurring on a regular basis. And, what we did find, we corrected at that time.
Q. When you indicate that you -- what you did find, you corrected, does that mean that you submitted a form to Medicare telling them that you want to make a refund?
What do you mean when you say what you found, you corrected?
A. What we found we -- what we found in this -- at this time was that one of the physicians who was -- one of the cardiologists who was doing the overread was not included on the

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edit, and he rarely did interpretations. It was a very small volume and so there was no pattern. We made a change to the edit that would stop the claim that had already been entered by the front end billing staff, so we fine tuned the edit that was in place to stop that.
To further answer your question the -- any billings that we found that were -- where we had been paid, we reimbursed those billings. And I just might add that this spanned over a period of time where I transitioned in my practice, so I don't know what happened at the end of that point in time.
Q. Now, in terms of making a refund, what do you know about a refund being made? Was it just one or two, or was it ten, the time frame, anything you can tell me about the refund being made?
A. On this particular audit there were only -- there were -- I don't recall exactly, but I would say there were ten to fifteen cases that we looked at, so there were very few cases. And none of those -- I'm sorry, I

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believe there was one that had been paid to both the emergency room and to the electrophysiology physician as well. And, to my knowledge, that was refunded after the audit process.
Q. Refunded, meaning a check was sent to Medicare to reimburse Medicare?
A. Correct.
Q. When a sample study is done of, say ten or fifteen cases, and one is found, that suggests that one out of every fifteen have a problem.
Was any statistical analysis done to determine the total scope of the problem, as opposed to just a problem within those fifteen cases?
MR. JOHNSON: I'm going to object to the form of the question. I don't have any trouble with you asking her the question directly, but please don't preface it with your statement as to what it does or does not suggest. So, please ask her the question directly if you're going to ask --
BY MR. ERNSBERGER:
Q. Was anything done to determine the total

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scope of the problem, as opposed to just looking at these fifteen cases?
A. Yes.
Q. What was done?
A. I engaged the Compliance Department to expand the audit, which I had already requested, regarding all of cardiology billing.
Q. You indicated you had already requested an audit. What do you mean by that?
A. I found billing irregularities with the cardiology billing related to Nuclear Cardiology that showed a significant number of bills that had been deleted from the system. And I had audited two months' worth of billing for the Nuclear Cardiology Department, and when I found that there were a significant number of issues related to the billing in that department, I expanded the audit so that we could identify any other issues that existed related to cardiology billing.
Q. So that audit concerning deleted bills was expanded to include this issue of ER EKG's, and both of them were referred to Compliance?
A. Yes.

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Q Now, the audit relating to deleted bills, I've heard it said that Cindy Hartman had deleted bills. Is that the same thing or something different?
A I'm not certain what you're asking me. Can you --
Q Okay. There is something -- can you tell me what you mean by an audit of deleted bills in Nuclear Cardiology?
A I went back. I recognized that the financial statements did not match the operational volume of that department during November and December of 2001 and I pulled some reports to identify the patients that -- who's bills had been submitted, and compared that to the schedule of the department and found that there were many charges that had not been entered and were not showing up in the billing system.
And so to further drill down to find out what the issue was, I requested the Financial Audit Report, which would identify what occurred in the turnaround document. And, in reviewing the turnaround document for the same time period compared to the charges that

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were -- had been entered into the billing system, I identified that charges had been deleted that should have been entered and charged out to the insurance carrier, for Nuclear Cardiology specifically.
Q Were you able to determine who it was that deleted the charges?
A Cindy Hartman. Yes.
Q And who was it?
A Cindy Hartman.
Q And so the audit of the deleted charges made by Cindy Hartman was combined with the audit of the ER EKG's and sent to the compliance people?
A No, sir. That's not correct.
Q Okay. Then tell me what happened.
A I performed the -- myself and some of my staff performed the audit for the November/December time period related to Nuclear Cardiology charges.
When I realized that there were significant discrepancies in Nuclear Cardiology, and, that Cindy Hartman was the only biller responsible for the professional component charge entry for all of cardiology,

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I recognized that there was a significant risk that there may be some additional problems with cardiology billing. So I expanded the audit and requested that the Compliance Department become involved and conduct audits of the other cardiology departments.
Q Was it your intention that the ER EKG's be included in that expanded audit?
A All EKG's, not just ER EKG's were a part of that audit.
Q And, when you informed Compliance that this expanded audit should take place, were there memos back and forth between you and Compliance about the current audit you had done and what expansion you think should be done?
A I don't recall if there were memos. There were --
Q E-mail?
A I'm not certain of that either. At the time that I placed Cindy on suspension I notified the Compliance Department that I was doing that, and the reason that I was placing her on suspension, and that I felt that we needed

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to take a look at, not only Nuclear Cardiology, but the other cardiology areas.
And that's my recollection at this point. I don't recall any memos.
Q Do you know whether the Compliance Department made their own memos of your referral of this matter to them?
A I don't know if they did or not. I wasn't -- I was in receipt of requests for information so that they could conduct their audit, information regarding schedules of patients, log books of patients who had had procedures performed, and the results of those audits I received.
Q Was it your intention though, that the deleted bills by Cindy Hartman be audited by Compliance at the same time that the ER EKG bills be audited by Compliance?
A It was not my intention that they would be done simultaneously, because the job would be too large. It would have to be done in stages.
Q Do you know whether it was done, the audit of both Cindy Hartman's deletions and the ER EKG's?

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A Can you clarify what you're asking me?
Q Did Compliance proceed with your recommendation and do an audit of both Cindy Hartman's deletions and the ER EKG's?
A The Compliance Department completed an audit of Nuclear Cardiology. They expanded the audit that I had done to extend to other months, they then moved on to look at the Echo Cardiology Department. And when I say that they expanded their audit, they looked at many factors, including deletions of charges in those departments as well.
And they also did expand their audit to the emergency -- to EKG's in general, and that audit also included deletions, charges that were actually entered, etcetera.
Q So, based on your recommendation, there was then a series of audits done; one of the Nuclear Cardiology, another one of Echo Cardiology, and then others of the EKG's.
Is that a correct understanding?
A Yes, that is a correct understanding.
Q Was there a sequence of which one came first and which one came second and which one came third?

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A The sequence of my knowledge of when they occurred, but I don't know when they physically performed the audits.
I was aware that the Nuclear Cardiology audit was completed for -- Nuclear Cardiology was completed for the rest of -- for several months that I had not audited personally. And non-invasive labs, which is Echo Cardiology, was next. And, I believe Electrophysiology, which included EKG interpretations, was third.
Q Approximately when were you aware of the completion of each? Were they within days of one another or years? How did they go?
A It was an extensive audit that expanded over a several-month period of time.
Q So, all three of these audits were completed within several months?
A I don't have a complete recollection of when they were completed. And I wasn't performing the audit, so I'm not certain of the time frame between the reports that came back to me and the reports that -- and when they actually completed their audit.
Q Approximately when did the Nuclear Cardiology audit come to your attention as being completed?

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A I don't recall that specifically. However, I had already done an extensive audit on my own and was aware of billing irregularities already too, which spurred us on additional audits.
Q Okay. And how long after the Nuclear Cardiology audit did the Echo Cardiology audit come to your attention as being completed?
A I don't recall exactly, but I believe it was somewhere in the vicinity of May of 2001.
Q And how long after the Echo Cardiology audit did the EKG audit come to your attention as being completed?
A I don't recall that. EKG had a much greater volume than any of the other cardiology departments and it took much longer than the other areas. And it was not solely emergency room EKG's, it was all EKG interpretations, which included the entire inpatient units, other outpatient EKG's done in other areas besides the emergency room, and the emergency room.

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Q But all of these audits were done by Compliance rather than yourself?
A That's correct.
Q Now, going back to the audit that you did yourself, what documentation did you have to record the audit that you did of Nuclear Cardiology?
A There was a document that was created, and I don't recall if it was myself who created it or one of my staff members, but it was a document that showed a comparison of what was entered into the Signature Billing System, what had been deleted from the turnaround document, whether technical charges had been entered by the hospital billing staff into a spreadsheet.
Q Roughly, what was the date of that spreadsheet that you or your staff created?
A We began the audit in February. And, at the time of Cindy's suspension, a portion of that spreadsheet had been completed, but I requested additional documentation from the hospital billing side to prove whether or not there were technical charges that had also been entered for those services.

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Q So, the professional part of the spreadsheet had been completed, but the technical side had not been completed by the time of Cindy's suspension?
A That's correct.
Q Now you indicated that the resultant document of your audit was a spreadsheet?
A Can I please clarify?
Q Sure.
A That was the document -- that was one of the documents that I created, or that my department created. However, there were system reports that backed that up as well, that we ran and kept with that audit.
Q Okay. That audit, was it in a folder or in an envelope or some -- how is it retained, that audit?
A (No response.)
Q If I were to look for it, what would I call it?
A We've provided that audit to you.
Q Okay. When I look at it, what will tell me it is the audit I am interested in?
A I don't recall what the title of the spreadsheet is, but there is a title there

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indicating that it's an audit of November and December of 2001, and that it was performed -- who looked into the system, who assisted in performing the audit.
Q Okay. Do you know whether that audit is in this stack that I got this morning, or do you know whether it was provided at a different time?
A I -- I'm not certain whether that was provided this morning.
Q Okay.
A Yes. Okay. Yes, it's in the stack that you have.
Q This morning?
A Yes.
Q Okay.
MR. JOHNSON: It may or may not have been in earlier documents as well.
MR. ERNSBERGER: Okay.
BY MR. ERNSBERGER:
Q In addition to the audit spreadsheet and the other reports, what else should I look to concerning that audit? Are there any other documents?
A Cindy's suspension and ultimate termination

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paperwork references that audit.
Q Okay. Are there documents from you to Compliance telling them of the existence of this -- of your audit and its conclusions?
A I had -- I don't know if there were documents. I don't recall if there were documents, but I made Compliance aware of my findings, and that was the reason for the expansion of the audit by the Compliance Department.
Q In your audit that you did, do you describe how you found out about the Nuclear Cardiology deleted bills?
A I created an internal memo to myself outlining the steps that I had taken in how -- you know, what occurred to lead me to believe that these charges had not been billed and what steps I had taken.
Q Okay.
A There was no document created. It was -- it was an internal document. And then Cindy's suspension papers are the only ones that I can recall.
Q The internal document that you created for your own use, is it in this stack that was

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delivered this morning?
A Yes.
Q Okay. Now, in that internal document do you -- what do you say is -- how did you discover that Cindy had deleted Nuclear Cardiology bills?
MR. JOHNSON: Are those two separate questions?
BY MR. ERNSBERGER:
Q How did you discover it, that Cindy had deleted Nuclear Cardiology bills?
A In January of 2002 I reviewed the financial statements for cardiology, for all of cardiology, because Cindy had been out on a leave of absence and there was heightened awareness.
It was something that I always audited, or always reviewed anyway, but because Cindy was the sole biller in cardiology that was responsible for professional fee charges, and she had been out on a leave of absence, there was much more scrutiny of the financial documents.
And, in January, when I reviewed those documents, after Cindy had told me on

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multiple occasions at the end of December after her return from leave of absence that all charges were in, the financial statements did not match the operational volume. That led me to look further into that and investigate what had occurred.
Q Did Cindy ever tell you that there were -- that she had any trouble with those billings, like, she was uncertain as to whether she should make deletions or should not make deletions?
A Cindy never stated that she was uncertain about what -- about deletions.
Q Did anybody tell you that Cindy was uncertain about whether she should or should not make deletions?
A No, nobody told me that Cindy was uncertain.
Q Now, her direct supervisor was who?
A Chet Cornman.
Q Did he tell you whether Cindy was certain or uncertain about deletions?
A No, he did not.
Q Now, you indicated that you became aware of a billing, I guess discrepancy, that there were not as much bills as there should be, or

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something like that.
How did you become aware of a billing discrepancy? What brought that to your attention?
A As I stated before, I looked at the financial statements from Nuclear Cardiology in January of 2002 and the charge activity and the volume activity, the dollar figure and the volume did not match the operational volumes.
So I -- and there was a regularly scheduled billing meeting in which that was discussed, and Cindy Hartman was a participant in that meeting as well as Dr. Rader (phonetic), who is the Nuclear Cardiology lead physician, Tony Lasheski, Chet Cornman, and myself. That was a topic of discussion at that meeting, that although we knew that the charge activity would be down in November, which was the beginning of Cindy's leave of absence, Cindy had indicated on multiple occasions in December that all charges were in. And we verified with her again at that meeting in January that she -- that all charges were in, that she had entered all charges for Nuclear Cardiology.

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Q Were there any particular doctors whose charges were not charged?
A Can you please clarify the question?
Q The deletions of charges, were they randomly scattered among all the physicians who submitted bills, or were they focused on one or more physicians?
A The charges were specific to Nuclear Cardiology physicians, the -- the deleted charges.
Q Um-hum.
A It was not one physician, it was multiple physicians.
Q Did any of those physicians complain to you that their charges were not as high as they thought they might be?
A Dr. Rader, who was at the meeting in January, stated that he did not believe that the charge activity reflected the operational activity.
So, my answer to that is yes.
Q He stated that at the meeting though, not before the meeting?
A I don't recall if he stated it before the meeting. I do recall that the billings were

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down in November, while Cindy was out. And the financial statements would not have come out for his review for December, to see if the December charges had made up for the low charge activity in November, until January, and that's when we had the meeting. Now that -- that was that specific instance.
However, there were physicians who, in the past, had stated that they did not feel that their charge activity reflected their operational volume.
Q Who were they?
A The electrophysiology physicians had brought to my attention that they didn't feel that the volume of EKG's that they had interpreted was reflected in their billings.
Q And what are their names?
A The -- the --
Q The physicians' names?
A The electrophysiology physicians' names are Christopher Bonnet, John Chenaridds (phonetic), and I believe it was only those two that were employed at that time. It was Dr. Bonnet who brought that to my attention.
Q And when did he bring that to your attention?

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A That was -- I don't recall exactly the time period, but it was more than a year prior to this billing irregularity. I would say one to two years prior.
Q When he brought that to your attention one to two years prior, was anything done to correct that situation one to two years prior?
A Yes. As a matter of fact, I looked back to see what caused that billing irregularity. And the issue was that Cindy had not -- Cindy, who was the only biller at that time responsible for that, had not entered many pages worth of charge activity, approximately fifty pages. That's my recollection at this point. But, there were approximately fifty pages in the turnaround document of EKG's that she had not ever completed the charge with the performing physician or done anything with that charge whatsoever.
So, the technical charge had been entered, but no professional component had ever been billed.
Q So what -- when Dr. Bonnet complained of this a couple years earlier, was his complaint a couple years earlier, or was his complaint in

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January of '02 referring to something a couple years earlier?
A His complaint was a couple of years earlier.
And I didn't really complete my last statement, so, if you don't mind?
Q Um-hum.
A At that time, when I found that Cindy had not completed those charges, my instruction to her and my communication back to Dr. Bonnet was that the charges did not match in the billing system because the charge had never been entered by Cindy. And my instruction was that all charges that were appropriate to be billed should -- needed to be billed out, and they needed to be billed out timely.
The result of that was that Cindy entered some of those charges, many of which were more than a year old, and some of them she deleted from the turnaround document at that time.
Q Okay. So, when you're saying that she entered these things that were more than a year old, what year did she enter these things that were more than a year old?
A As I stated, I don't recall when that

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occurred.
Q But it was a couple years before --
A That's correct.
Q -- the January 2002 event?
A That's correct.
Q Okay. Now, when she entered the things that were more than a year old, did those charges go through and were they paid?
A I have no recollection of whether those went through and were paid. However, I will tell you that many of the insurance carriers have timely filing limits and will not pay after a three-month period of time. It -- it varies by payer, but some of them are as low as a three-month period of time.
Q What disciplinary action was taken against Cindy Hartman when this occurred some two years earlier?
A We did not take any disciplinary action, with the exception of talking to her to let her know that we expected that every charge that was appropriate to bill needed to be billed, and needed to be billed in a timely --
Q Now, I see it indicated that she got a promotion in that period of time. Can you

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explain that?
A No, I can't explain that. She was not my employee.
Q When this happened a couple of years earlier, who would be responsible for taking disciplinary action against Cindy Hartman? She wasn't your employee.
A Her immediate supervisor, I would say.
Q And that would be who?
A Chet Comman.
Q And was he aware that she had made these errors a couple of years earlier?
MR. JOHNSON: No foundation, so I object to the form.
BY MR. ERNSBERGER:
Q To your knowledge, was he aware that she had made these errors two years earlier?
A I don't recall any specific conversation or memo, but I believe that he was aware. Dr. Bonnet was certainly aware.
Q Would you expect him to issue a disciplinary action against her for deleting these things a couple of years prior to the 2002 event?
MR. JOHNSON: I'm going to object to the form of the question.

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THE WITNESS: I would expect that he would investigate what the reasons were why she couldn't accomplish getting all of the EKG's in and make a decision based on that.

BY MR. ERNSBERGER:

Q Okay. Now, getting back to your audit of Nuclear Cardiology in 2002, who initiated disciplinary action, you or Cindy Hartman's boss?

A I was Cindy Hartman's boss at the time the disciplinary action was issued.

Q Chet Cornman was no longer there?

A No, he was not.

Q And did you do anything to determine why she did delete those cardiology charges?

A No, I did not, because it was irrelevant as to why they were deleted. It was inappropriate that they were deleted.

Q Okay. Perhaps I misunderstood something.

You indicated that Chet Cornman would consider disciplinary action two years earlier, depending on what investigation was done and what he found and why they were deleted two years earlier.

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Now, in '02, when you're confronted with a similar problem, I'm asking why you did not investigate why those charges were deleted before instituting disciplinary action.

MR. JOHNSON: What's the question?

BY MR. ERNSBERGER:

Q Why didn't you investigate why the charges were deleted before starting disciplinary action?

A Because on multiple occasions in December Cindy had indicated that all charges that had been submitted to her by the Nuclear Cardiology Department had been entered into the billing system.

Q And when you found that they had been entered but deleted, did you ask why they were deleted?

A They were not entered by Cindy yet. Cindy had never entered the charges yet. She deleted the items from the turnaround document and never completed the professional fee charge.

Q Did you do any investigation as to who entered the information into the turnaround document; was it her or was it her

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replacement substitute while she was out on leave?

A It was not her replacement. Cindy only was responsible for the professional component. I had no reason to look to see who entered the technical charge because I wasn't investigating technical charges.

Q Okay. The people -- when Cindy was out on leave, was anybody doing her work for her?

A There were several people who were doing the coding piece of her work, providing the information to the Pro-Fee Billing Department and to a manager who worked for me at that time, and there were billers in the back office who volunteered on overtime to enter the charges that the department provided to us.

Q Okay. So when she came back from medical leave, do you know what instructions she was given as to the completeness of the work done by others?

A I do not know specifically what instruction was given to Cindy directly at that time.

Q Do you know whether the work done by others was complete and done and up to date at the

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time Cindy Hartman came back to work?

A I knew that I had already discovered that the billers who were entering the professional charges for the Nuclear Cardiology Department had not entered all of the five components of the charge, that they only entered two of those, and I recognized that before Cindy came back to work and conveyed that to Chet Cornman.

Those documents -- many of those documents had already been returned back to the department, and there were some documents that were returned upon Cindy's return.

However, I had discovered that -- by continuing to monitor the financial statements, that the volume of charges that had been entered in November and during -- just through the end of November, did not match the operational volume. And I investigated that and recognized that they had missed three of the five charges that needed to be billed.

And a decision was made at that point in time between Chet Cornman and myself, that Cindy was returning from her leave of absence

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and that she would be the one who would be responsible for entering those charges.
Q Okay. So, while Cindy was on leave of absence the people replacing her failed to enter three of the five required charges; is that right?
A The people who replaced her were performing Cindy's responsibilities, but they were filling in and did not know Cindy's processes. They misinterpreted the schedule and the information that was given to them and entered only two of the charges of the five. And that was discovered immediately and conveyed to the front end practice.
Q So, when Cindy came back from leave, was she told that she must then enter three of the five -- the missing charges, the three out of the five missing charges?
A Yes, she was.
Q Who told her that?
A That was conveyed to her by Chet Cornman, and in a follow-up conversation that I had with her two days later where she had indicated that she was caught up with all of the billing from November and December during her

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leave.
When I expressed surprise that she was already caught up within two days of returning from leave, I asked her if she had entered the charges that had been missed by the Professional Fee Billing Department, the three -- and I explained in detail the charges that the Pro-Fee Department had entered, which was for the supervision of the stress tests and the cardiovascular stress test itself. They had billed those two codes, but they had not billed the imaging code.
And I had a conversation with Cindy two days after her -- approximately two days to my recollection, after her return, when she indicated that she was caught up already, that I was surprised that she was able to get all of those charges in already.
I also had to two subsequent conversations with her at the end of December, to verify that she had entered all of the charges by the end of December, which would be the financial close for that month.
Q Being surprised that she got the work done so

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quickly, did you do anything to check to see whether it was done?
A Yes, I did. When the financial statements came out and it didn't match the operational volume, I began the audit.
Q How many -- you indicated that you were surprised that she could possibly get it done in three days, how many days did you expect it to take?
A I thought it would probably take the rest of December to get all of the current charges, plus any backlog, to get all of that caught up.
Q Do you know whether there was anyone else there to assist her in catching up on the backlog of November and doing the current charges of December?
A A new biller had been hired by the name of Sue Moore, and she began during -- she had started her responsibilities in cardiology that same week. To my knowledge, she is the only one who was assisting at that time.
Q Did you ever ask Sue Moore whether she was doing that work, or assigned to that work?
A I -- I don't recall having a conversation

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with Sue Moore at that time.
However, Sue Moore was the -- one of the people that I asked to assist me in checking into the billing system to see if missed charges were in -- I'm sorry, deleted charges from the turnaround document had ever been billed into the Signature System.
Q So you used Sue Moore to do the audit on Cindy Hartman, basically?
A Sue Moore was a participant in that audit, but she was not the sole person who was performing that audit.
Q Now, I'm still unclear why you're using the word deletion. I think you indicated that after Cindy Hartman came back from leave the other staff that had been filling in for her had failed to enter information. So, that's not a matter of deletion, they simply failed to enter it.
Now, when Cindy Hartman comes back, you're saying that she also failed to enter it. So where does the issue of deletions come from?
A Cindy Hartman deleted the charges from the turnaround document. The turnaround document

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was a safety mechanism, that when a technical charge was entered, that some of the information related to that technical charge would be immediately available to the person who was billing the professional charge; and it -- it prompted us to look for the interpretation and to identify that that was a charge that needed to be billed.
Q. Okay. So --
A. And she deleted -- excuse me, I wasn't completely finished with that.
She deleted the charges from the turnaround document without completing that charge. Once the information is entered into the turnaround document it gets transmitted to the Physician Billing System.
Q. Are you saying that she deleted the two charges that her replacements had done correctly?
A. I'm saying she deleted charges that were never billed.
Q. I guess I'm having difficulty understanding how you delete charges that are never billed. I mean, I would think that you would have to put them in and then delete them.

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And, if they never go in, how do you delete them?
A. She deleted the information from the turnaround document that drives the -- the information on the turnaround document that Cindy enters gets downloaded into a file that goes to the Signature Billing System, goes through a series of edits, and then is billed out to the payers. Cindy deleted the turnaround document information so a professional charge was never generated. She would have had the option of entering those charges directly into Signature, but she also did not do that.
Q. Does you computer system have anything called a deletion report?
A. No.
Q. Are you telling me that there is no way to determine whether a deletion has been made?
A. No. What I'm telling you is that the report is not titled that. It's a -- I don't recall the name of it, but it's not deletion report, it's a financial audit report that indicates whether the charge was sent to Signature or whether it was deleted.

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Q. Okay. So there is a report, whatever name it is, that is a report of deletion?
A. It's a report of activity, either the charge was sent to Signature or it was deleted, and that's what's contained in it.
Q. Okay. We'll call that, for the moment, a deletion report. Was a deletion report ever printed out to identify her deletions?
A. Yes.
Q. When was it printed out?
A. I believe it was in February.
Q. Now, is there any reason why the deletions identified by that deletion report could not be corrected in February and properly billed?
A. That's what we did. We -- when we completed the audit, verified that they were appropriate charges, we entered the charge at that time.
Q. And so the mistake that she made in November was correct in February?
A. The charges that she deleted were entered in, I believe it was in March that they were entered.
Q. Who did that entry?
A. To the best of my recollection, it was Sue

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Moore, who remained in the Cardiology Billing Department.
Q. The lady you identified as helping you with the audit of Cindy Hartman?
A. She was the sole cardiology biller in cardiology at that time, yes.
Q. Did you ever consider that perhaps Sue Moore was the one who failed to enter or Sue Moore was the person who deleted the documents?
A. No.
Q. Why didn't you give that any thought?
A. Because Sue Moore was new in that department and had extensive billing experience, but she did not have any experience in the turnaround documents.
Q. But, nevertheless, you decided that she would be the one to do the audit?
MR. JOHNSON: Object to the form of the question.
BY MR. ERNSBERGER:
Q. Okay. Once the deleted charges were reinserted in March, were those deleted charges then mailed to the insurance carriers?
A. I don't know how those were processed. I was

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the Director of Cardiology at that time. They may have gone electronically or they may have gone on paper. I don't know what process they followed.
Q After the deleted charges were re-entered and billed, do you know whether the carriers paid them?
A I don't.
Q Can you think of any reason why the carriers would not pay them?
MR. JOHNSON: Object to the form of the question, calls for speculation.
THE WITNESS: Untimely filing is a possibility.
BY MR. ERNSBERGER:
Q And you indicated that different carriers have different timeliness requirements, some are as short as three months, some are as long as how long?
A Greater than a year. Medicare's regulation sometimes allows for payment, I think it's probably a year and nine months. But I -- that's the best that I recall at this time.
Q Now, the payment or nonpayment of the charges that were deleted and then re-entered, is

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there any record of that in the documents that have been provided to me, to your knowledge?
MR. JOHNSON: Well, I -- I just would like for you to limit the question to the documents the witness provided today, because I don't know that she has knowledge regarding what other documents were provided.
BY MR. ERNSBERGER:
Q The payment or nonpayment, is there any record of that?
A I don't know if there's a record of that.
Q Would you expect there to be a record of that?
A There would be a record on each individual account and only a report if somebody requested that. So, yes, I think somebody would probably want to see whether that was paid, but I don't have knowledge of whether that occurred or not.
Q So, are you aware of whether the documents provided today would have a record of that, of the payment of the charges that were deleted and then put in correctly into the system in March?

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A Only the documents that I -- no, they would not be in that pile.
Q Now, you indicated that there was an audit of Nuclear Cardiology done by yourself. Is that in the documents that you've provided today?
A Yes.
Q You've also indicated that there's an audit of Nuclear Cardiology that was done by the Compliance Office, is that in the documents that you've provided today?
A No.
Q You also indicated that there was an audit done by the Compliance Office of Echo Cardiology, is that in the documents provided today?
A To the best of my knowledge, it is. I believe so.
Q And you indicated that the Compliance Office did an audit of the EKG's in general and the ER EKG's in particular, is that in the documents you provided today?
A No, it isn't.
Q I want to show you a document that I'll mark as Exhibit No. 5. You will see that this exhibit is dated May 14, 2003, but it's

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making reference to April '02 claims. So when you read it you may note that in particular.
(Whereupon, Exhibit No. 5 was marked for identification.)
(The witness reviews the document.)
Okay.
MR. ERNSBERGER: May I see it?
BY MR. ERNSBERGER:
Q Exhibit 5 is from Sandy Sessoms. Who is Sandy Sessoms?
A She is a director in Compliance.
Q So, when you were referring earlier to an audit done by Compliance, might Sandy Sessoms know of those audits done by Compliance?
A I would say that she probably would.
Q Now, this says, or Sandy Sessoms says: "I have also attached an e-mail that outlines the review I did of April '02 claims, which showed the edit was not working 100 percent of the time."
When Sandy Sessoms is referring to a review she did of the April '02 claims, do you know whether she's referring to a review she did in April '02, or is she referring to

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a review she did in May of '03 relating back to '02?
A She was referring to April -- dates of service for claims in April of '02.
Q So she --
A I believe, to the best of my recollection.
Q Okay. So she was referring to ER records dating from April '02. And she was not saying she did the audit in April '02, she's saying she did the audit at some other time, referring to that time frame of April '02?
A Yes. I believe that's what she's indicating.
Q Do you know of your own knowledge when she did the audit of the April '02 records?
A I don't recall specifically when that was done.
Q Do you know whether it was done significantly after April '02, or whether it was done at or about April '02?
A It was not done in April of '02, but I don't know how much after April of '02 it was done.
Q Do you know why the audit that she did was focused on the month April of '02?
A Probably because the edit request for HDS edits was installed at the end of March.

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Q Okay.
A And I recall having a conversation with her to that regard, that we had installed an edit based on the meetings that we had had to capture charges before they went out incorrectly.
Q Okay. If I am understanding you, what I think you're saying is that in January of '02 you were aware of ER EKG double billings, and that following that you changed the edit computer program so as to capture those ER EKG billings, and that edit computer program was done in March and so she was testing it in April.
Is that what you're telling me?
A What I'm telling you is that we had looked extensively and had several meetings regarding whether any of the charge entry was coming across and hitting an HDS edit and appeared to be a double bill, that we had recognized through that process that we could fine tune the edit to capture more of those claims so that we would not be sending out an incorrect claim that had been entered by the front end.

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Q So, basically, she was testing whether your computer program that catches overcharges worked?
A She was testing -- yes, I would say that that's true.
Q And her conclusion was that your computer program that catches overcharges did not work, because she says here that it showed the edit was not working 100 percent of the time?
MR. JOHNSON: I'm going to object to the form of the question.
THE WITNESS: In conversations that I had later with Sandy Sessoms, that was not the conclusion. The conclusion was that the edit was actually working at that time, but the charges were being -- the charges were being billed despite the edit stopping the claims.
BY MR. ERNSBERGER:
Q How did it come about that charges were being double billed to Medicare despite the edit stopping the claim?
A I do not have personal knowledge of how that happened, I was no longer in my role in the

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Patient Financial Services Department when that happened.
Q Do you know whether anybody was disciplined for double billing Medicare, even though the edit discovered and was to stop that claim?
A I'm not aware of any discipline that would have occurred for somebody allowing a claim to go through that was entered by the front end staff.
Q How was it discovered that the edit was working 100 percent of the time and yet Medicare double billing continued to occur?
A I don't know that that was discovered firsthand.
Q You just know that from some other source that that was what happened?
A No, I don't.
Q You want to offer an explanation of --
A Yes. Let me expound on that.
Q Okay..
A I am aware that the edits, you know, based on that e-mail, that there were charges that were going through.
Q Okay. So you're aware that Medicare was double billed improperly and that charges

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were going through at the time this memo was written?
A For the April '02 claims, yes.
Q But you don't know how it was happening that Medicare was being billed twice, improperly, for the April '02 claims?
A No, I don't.
Q Did you ever ask anybody how it was that Medicare was being billed improperly for the April '02 claims?
A Can you -- I'm sorry, can you please repeat the question?
Q Did you ever ask anybody why it was that Medicare was being billed improperly for the -- double billed for the April '02 claims?
A I don't recall asking anybody why they were double billing.
Q Were you able to determine how long it had been going on? Was it just April or was it forever that they were billing Medicare improperly, that is, double billing?
A I believe I recall e-mails subsequent to that that indicated that there was not an issue with double billing.
Q Well, in April of '02 was Medicare being

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double billed improperly?
A According to the memo, according to the e-mail that Sandy sent, she is indicating that those were her findings.
Q Do you know whether any refunds were ever made to Medicare for the improper double billing of the April '02 claims?
A I don't have personal knowledge of that. It was not my area of responsibility at that time.
Q Now, given that there were improper double billing of Medicare claims in April '02, was there any investigation done to determine whether there was also improper double billing in March of '02 or May of '02?
MR. JOHNSON: I'm just going to object to the form of the question because I think you may be misstating the witness's testimony and ignoring some of her answers that she has given in response to the other questions. So I object to the form of the question.
MR. ERNSBERGER: Do you understand the question?
THE WITNESS: Can you please ask

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the question again?
BY MR. ERNSBERGER:
Q Given that there was improper double billing in April of '02, was there anything done to determine whether there was also improper double billing done in the month before, March, or the month after, May?
MR. JOHNSON: And I also object to the form of that question for the same reasons.
MR. ERNSBERGER: Can you answer the question?
THE WITNESS: The Audit Department was conducting the -- I'm sorry, the Compliance Department was conducting those audits at my recommendation, based on the fact that there were other cardiology issues that had been identified by myself earlier in 2002.
BY MR. ERNSBERGER:
Q So they would know the answer to that question even though you might not know. Is that what you're saying?
A Yes.
Q I want to show you Exhibit No. 6. You'll

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find this is a letter from Tom Vajda to Sandy Sessoms with you carbon copied concerning cardiology refunds, and it's November of '02.
(Whereupon, Exhibit No. 6 was marked for identification.)
(The witness reviews the document.)
Okay.
BY MR. ERNSBERGER:
Q Okay. The topic of this e-mail is cardiology refunds. Can you tell me what a cardiology refund is?
A I'm not sure why the title is that of cardiology refunds for -- why they're using that --
Q That is the subject matter of these refunds. What's this all about, if you know?
A I don't recall specifically what the subject is regarding cardiology refunds at this time.
Q Do you know whether it has anything to do with ER EKG's?
A No, I don't know specifically if that's what that is.
Q Do you know whether it has anything to do with the deletion of charges in Nuclear

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Cardiology that happened the year before?
A I believe it has to do with the deletion of charges, but not necessarily Nuclear Cardiology, because we had already rebilled the deleted Nuclear Cardiology charges prior to that date.
Q Well, this is addressed, or at least carbon copied to you. What do you understand to be the subject of this memo? What happened?
A I don't recall. I think if there were other documents that you could produce surrounding that date I would be able to tell you, but I don't recall that at this time.
Q When you use the term refund, what do you understand by that term? Is that refunding money back to Medicare or Medicare refunding money to AGH or what?
MR. JOHNSON: Are you referencing it in the context of a particular writing or document or the word in general?
MR. ERNSBERGER: In particular, to this document, what is meant by a refund?
THE WITNESS: I don't believe the title of that document supports the substance of what the document is about. I believe

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there must be other e-mails that we're not seeing at this time that would help me to recall what that is, but the substance of the document does not address refunds.
BY MR. ERNSBERGER:
Q Okay. Well, what is the subject matter of the substance of the document?
A It's discussing how to enter the information to register patients into the Signature Billing System so that charges can be billed to the carrier.
Q Okay. So this is a document that is explaining how billing is made in the first instance, how the information is put into the system?
A No, it's not explaining that at all. They -- this document is referencing a recreation of a registration that's no longer in the system, so making the rebilling process more difficult.
Q Help me. What do you mean by that?
A Can you tell me what specifically you don't understand?
Q Could you start at the beginning and tell me what's happening that is leading up to that

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letter and why that letter is written?
A I don't recall why this letter is written. I can only tell you that the substance does not match the subject matter.
Q Okay. But the substance of the letter has to do with billing; right?
A It has to do with the registration process.
Q Do you know why the registration process is at issue in this letter?
A I can tell from this document that the registration is no longer sitting in the billing system, which means that it was -- that there were no charges in the system for that particular registration and that the registration no longer existed. So it had to be recreated into the billing system.
Q Do you know how that came about, that there would be no registration for, I take it, a particular patient?
A As I said, after a certain amount of time, if there is no charge in the system against that registration, the registration is no longer available to enter charges against.
Q Oh, that's just an automatic thing, the computer is designed so that if the patient

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hasn't been there in a while, there's no more charges entered on that patient's account?
A No, sir, that's not true.
Q Okay.
A There is a separate registration for every date of service, typically. And if the patient came in and they were registered for that particular date of service and no charge was entered for that date, the registration becomes -- is no longer available after a period of time.
Q Do you know why -- do you know whether that document has any significance to this case?
MR. JOHNSON: I'm going to object to the form of the question, but you can try and answer it if you can.
THE WITNESS: I think the substance of this is that one of the audits was completed and there were charges that had been deleted that needed to be re-entered, and they were recreating the registration so that these inappropriately deleted charges could be re-entered into the system. And they had to engage IS, the Information System personnel to assist them in recreating the

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registrations in order to enter the charges.
BY MR. ERNSBERGER:
Q Okay. Is this referring to Cindy Hartman's deletions of charges or somebody else's deletions of charges?
A This would be referring to Cindy Hartman's deletions of the charges. There -- cardiology is unique in having a turnaround document like this.
Q You see this is November 11, '02, and she came back from leave in November 11, '02?
A No. She came back from leave in November of '01 -- or, December of '01. I'm sorry.
Q Okay. So this is a memo concerning deletions of charges a year later.
Do you know why it's written a year later?
A I can -- the audits were ongoing, at my request, after we had already identified that there were problems with Nuclear Cardiology billing. It takes -- it took many months to complete all of the audits of all of the cardiology departments because there was an -- is extensive volume in that area.
So, at the time that the audits are

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complete and all charges are -- all services are verified that a professional component would need to be charged, that's the time when we would enter the charge.
So it would be entirely appropriate that we would enter the charges after all of that information was verified, and it may have been -- it could be a year later, yes.
Q Perhaps I misunderstood your earlier description. As I understood it originally, Cindy made the deletions sometime in December. Those were discovered in January, a deletion printout was made and the charges were re-entered in March.
Is that -- is your earlier testimony wrong?
A No. My earlier testimony was specific to Nuclear Cardiology. There were several other cardiology departments that submitted bills, and it was found in subsequent audits that Cindy was deleting charges from those departments as well as Nuclear Cardiology.
Q So you're saying this has nothing to do with cardiology deletions occurring in Nuclear Cardiology in November or December of '01,

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this is something completely different?
A No, I don't believe it's something completely different. I think it's the problem that I identified in January with Cindy deleting charges inappropriately, but it was found in other departments besides Nuclear Cardiology. So I feel that it is very much related to my audit in January.
Q Did the deletions in the Nuclear Cardiology Department occur at the same time as the deletions in these other cardiology departments, or was it a completely separate event?
MR. JOHNSON: I don't understand the question, so I object to the form.
MR. ERNSBERGER: Well, I'm trying to understand what you're saying here.
BY MR. ERNSBERGER:
Q You're saying that there were deletions in Nuclear Cardiology that were done in December of '01; right?
A That's correct.
Q And you're saying that there were deletions in other cardiology areas that were done at the same time, December '01 or some other

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time?
A There was a wide range of dates that was audited by the Compliance Department, and I don't recollect what those dates were.
Q So it could have been the same, December '01, or it could have been some other month entirely?
A The information is available in the audits that I gave you today. It extended over a several-month period of time.
Q Okay. I'd like to mark the next document as Exhibit No. 7. It's from you to Sandy Sessoms and it's talking about the MUSE System.
(Whereupon, Exhibit No. 7 was marked for identification.)
(The witness reviews the document.)
THE WITNESS: Okay.
BY MR. ERNSBERGER:
Q In this document you're saying that Sue Moore looked these up, meaning the ER EKG's -- up in the MUSE System, and that the MUSE System is the only way of validating whether these were appropriate charges.
Is that what you're saying here, that

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the MUSE System is the only way to really determine whether a billing is a proper billing or not?
A. It was the only way of verifying how many EKG's were in the system and whether the volume of EKG's billed was correct.
There are many other pieces of billing that we haven't talked about. There are many components. Billing is very complex. So I would just say that the MUSE System was the means of verifying the number of EKG's and looking at the actual tracings in the system to verify how many had been billed against how many had actually been performed.
Q. So, using that system you could determine whether or not an EKG was improperly double billed?
A. You could identify whether there was one EKG that had been overread by the cardiologist or two separate EKG's that had been done with interpretations done by two different physicians.
Q. One circumstance being an improper double billing, and the other circumstance being a proper double billing?

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A. That's true. yes.
Q. So the MUSE System could be used to determine those two facts, whether it's a proper or improper double billing?
A. Potential improper billing; because there still is this instance where the cardiologist is interpreting EKG's that the ED physician already interpreted where the overread is an important component of how the patient is treated.
Q. And the MUSE System is what you used to determine whether that has happened or not, whether it's a proper overbilling or an improper overbilling?
A. The MUSE System was one of many things that we had in place to try to make sure that the billing was proper.
Q. I want to mark the document as Exhibit No. 8. Again, this is from to you and dated November 24,'03. And it says: "Hi, Linda, this is regarding the issue of Cindy Hartman."
(Whereupon, Exhibit No. 8 was marked for identification.)
(The witness reviews the document.)

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THE WITNESS: All right.
BY MR. ERNSBERGER:
Q. Is there anything you'd like to explain about the MUSE System and whether or not it adds value?
A. The MUSE System adds value by identifying the number of EKG's that were performed that were interpreted by the cardiologist. It does not reflect whether there is added value by that cardiologist's interpretation compared to the emergency room physician's interpretation, which is contained in the medical record and not in the EKG MUSE System.
Q. So how can that be determined, whether there's added value?
A. That can be determined by the physician who is doing the overread and comparing it to the documentation of the emergency room physician.
Q. Is there any way for the biller to make that determination, as to whether there is added value?
A. The biller can determine by the number of documents, by the number of charges that show up on the turnaround document, whether that

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reflects the number of EKG's that were actually done, and can question if there are more EKG's on the turnaround documents than what appear in the MUSE System.
Q. All right. Let's go on to the exhibit we're working on right now, I think Exhibit No. 8.
A. I've not reviewed this whole document yet. Would you please give me a couple of minutes?
Q. Sure.
A. (The witness reviews the document.)
Q. I think there's a second page to it, and perhaps this is it. It's Bates No. 462, it follows 461.
A. Okay.
Q. The top of this document indicates that it's from you dated November 24, 2003 and directed to Linda Crawford, carbon copied to Sandy Sessoms.
Who is Linda Crawford?
A. She is the current Director of Patient Financial Services for the Pro-Fee Billing Department.
Q. She has your old job?
A. She does.

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Q And now you are what?
A Director of Cardiology at Allegheny General.
Q Now, in this document you say: "Hi, Linda, this is regarding the issue of Cindy Hartman. The review was done to determine if there was double billing, but there were a few accounts where payments had not been returned yet to the payer. Can you have your staff process these returns? Sue verified the EKG's in the MUSE System."
Can you tell me what this is all about?
A That was in response to the audit that was conducted by the Compliance Department. And Sue Moore, who is the biller in cardiology, assisted Sandy Sessoms in that audit, during that audit, by looking into the MUSE System to see the number of EKG's that had been performed. And it's in response to the finding of the audit.
Q It says: "This is regarding the issue of Cindy Hartman. The review was done to determine if there was double billing."
How does -- how is Cindy Hartman connected with double billing?
A Because the audit spanned the time period

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where Cindy Hartman was doing the cardiology billing, and Cindy is the person who enters -- who entered the charges into the system.
Q What were the findings?
A The findings were listed there in that there were patients who needed refunds that had been -- where we had been overpaid.
Q Now, you indicated the findings were listed there. Are you referring to Deposition Exhibit No. 8?
A Yes.
Q And where on Exhibit 8 are the findings of double payment?
A There is an e-mail from Sue Moore to Mary Beth stating that the patients, where we were paid for both the emergency room interpretation and the cardiologist's interpretation of EKG's.
Q And it appears from this document that refunds were made to Medicare for bills issued by Dr. Fisher and Dr. Bonnet.
Is my understanding correct?
A Yes.
Q Do you know why the double billing occurred as to these doctors, as opposed to other

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doctors?
A There were only three physicians who did the overreads. There were three physicians in the AGH electrophysiology group who did the interpretations for all EKG's that were done at Allegheny General, and that included overreads of EKG's that had been interpreted by the emergency room physicians, and those physicians were Dr. Bonnet, Dr. Fisher and Dr. Chenaridds.
Q Do you know whether Dr. Fisher -- Dr. Fisher's name had been inserted into your edit program?
A It had been requested to be inserted into the edit program in February of 2002. And I believe that edit was installed in March of 2002. However, I had left my role in the Financial Department at that time.
Q And these indicate that the bills were dated April of 2002. Is it therefore correct to say that the edit used to discover Dr. Fisher's bills didn't work correctly?
A No, it's not fair to say that. The edit could have been working correctly and the bill could have been manually processed and

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sent through to the payer.
Q Now, Dr. Bonnet, do you know whether his name was included in the edit?
A Yes. Actually, let me back up a little bit. I'm certain of how the edit was specifically worded at that time. However, Dr. Bonnet was part of the AGH electrophysiology group that was included on that edit.
Q Do you have any explanation or understanding as to how these double billings occurred despite the edit?
A The double billings could occur by manually pushing the claims through.
Q The next document is November 24,'03. We'll mark that as Exhibit No. 9.
(Whereupon, Exhibit No. 9 was marked for identification.)
BY MR. ERNSBERGER:
Q This is an e-mail from Linda Crawford to yourself, with a carbon copy to Sandy Sessoms. It relates to -- I guess it covers the same thing as Exhibit 8. Let's move on to the next one.
The next document will be marked Exhibit No. 10.

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(Whereupon, Exhibit No. 10 was marked for identification.)
BY MR. ERNSBERGER:
Q This is an e-mail from Sandy Sessoms to yourself saying: "Kathy, just a reminder to let me know the specific allegations of the lawsuit regarding the cardiology area; thanks."
MR. JOHNSON: Can I see Exhibit 9, please?
MR. ERNSBERGER: Sure. And if you compare it to No. 8 --
(The witness reviews the document.)
BY MR. ERNSBERGER:
Q As I indicated this exhibit, it says: "Just a reminder to let me know the specific allegations of the lawsuit regarding the cardiology area."
What lawsuit is this referring to?
A This lawsuit.
Q Okay. Exhibit 11.
(Whereupon, Exhibit No. 11 was marked for identification.)
BY MR. ERNSBERGER:
Q Next I'll direct your attention to

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Exhibit 11. It is a letter from Linda Crawford to Sandy Sessoms, Re: EKG Cardiology Pro-Fee Review.
A (The witness reviews the document.)
Okay.
Q The Pro-Fee Review referred to here, is that the same as double billing for EKG's, or is that something different?
A The Pro-Fee Review was an audit that was an extension of what I had begun in January of 2002 to investigate irregularities in cardiology billing that was performed by the front end billing staff.
Q Okay. So, Pro-Fee Review is not necessarily double billing of ER EKG's, it is a more expansive audit of other things?
A I believe Pro-Fee Review in that context was the Pro-Fee Department did their portion of what they needed to do to assist Compliance in that audit.
Q Now, you indicated that the audit that you initiated in January of '02 was something more than just Cindy Hartman's deletions, it included EKG reports from the ER and other factors.

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Is this one of the other factors, or is this -- is this one of the other factors?
A It is one of the items that was to be audited based on my initial findings, yes.
Q Now, when you're talking about Pro-Fee, what are the Medicare requirements in terms of billing, for example, must a doctor and billing person code only for the services rendered?
MR. JOHNSON: Are you asking a specific question?
BY MR. ERNSBERGER:
Q Is this having to do with ER EKG's or some other billing issue?
A That specific audit that's referenced in there relates to EKG's, but it was an extension of my original request to audit for billing irregularities in cardiology.
Q Okay. What kind of billing irregularities, other than ER EKG's, were the subject matter of the audit?
A There were multiple audits that were initiated by myself in January 2002 that related to deletions of appropriate charges from the turnaround document for the various

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cardiology areas. The emergency room EKG's was just one area of many that we audited.
Q Now this document says: "Kathy, Tom, and I met today to review the findings from MUSE. It appears that there are 32 instances where a refund is due to HGSA, and six instances where we were underpaid. "
Now, when you're talking about a refund due to HGSA, what are you talking about?
A That specific phrase means a refund to Medicare.
Q And when it refers to 32 instances where a refund is due to Medicare, what is the -- what is the need for the refund; is it double billing of EKG's or is it some other issue?
A Medicare repayments or overpayments can be for any service. I believe that's referencing the ER EKG's.
Q Now this particular audit, do we know the time frame of this particular audit, you know, which month it covered or some collection of months?
A I don't recall the time frame. The audit was done by the Compliance Department.
Q Do you know whether the time frame which is

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the subject matter of this audit was while Cindy Hartman was still employed?
A. I don't recall that.
Q. Now, it indicates that there were 32 instances where a refund is due. Was any determination made as to why the double billing did occur for these -- in these 32 instances?
A. I was not conducting the audit, so I'm not certain of all of the steps. I was asked by Compliance to assist.
Q. The particular audit that is referred to in this Deposition Exhibit 11, is it found in the documents that you provided today?
A. No, it is not.
Q. In Exhibit 11 -- this is your memo of January 10, '02 -- you say that the problem with the ER EKG's is something that we were cited for a few years back. Presumably, that would take us back into the 1990's, sometime in the late 1990's, and Exhibit No. 11 shows that there is still a problem with ER EKG's.
Do you know why the problem has not been solved from the late 1990's all the way up to 2003?

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A. Many systems were put into place to prevent human error from occurring on the front end to solve the problems. But systems were in place to solve the problems or to capture potential double billings, but it does not completely replace human error.
And so when those instances are found we -- where there is human error we go back and reimburse Medicare appropriately at that time. And we continue to have ongoing means of auditing what was occurring and correcting the problem. It's a very complex system. There are multiple systems that interact that can affect the billing and it's -- we have made many efforts to correct the human error.
Q. Do you know whether you've come up with a system today that has resolved the human error question that you refer to?
A. I believe there will always be human error, but we have a processes in place and people who are diligent at their jobs that research the charges before entering them and enter them appropriately. The edits that are built in will help us to catch any human error that occurs.

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Q. Exhibit No. 12.
(Whereupon, Exhibit No. 12 was marked for identification.)
BY MR. ERNSBERGER:
Q. Next I want to direct your attention to what I've marked as Exhibit No. 12.
A. (The witness reviews the document.)
Okay. It doesn't appear that that's the complete document. There's no header at the top stating who that memo was directed to.
MR. JOHNSON: Off the record.
(Whereupon, a short conversation took place off the record.)
BY MR. ERNSBERGER:
Q. Here's Bates No. 467, that precedes 468. So perhaps you can tell me whether this supplies the missing header that you need?
A. (The witness reviews the document.)
MR. JOHNSON: Are you going to be making that a part of Exhibit No. 12?
MR. ERNSBERGER: I will. I'm going to need to make a photocopy of it before I attach it to Exhibit 12, but, yes, if she needs it, I'll attach it to Exhibit 12.
THE WITNESS: Yes.

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MR. JOHNSON: And then, just so it's clear, that's Bates 467. That goes with 468.
MR. ERNSBERGER: Right. Okay. Can I have them both?
(The witness complies.)
BY MR. ERNSBERGER:
Q. The header on 467 looks like it's from you and directed to Sandy Sessoms and others. And then the text on 468, I can't tell whether that's from you or from someone else, can you tell me, at the top of 468 there?
A. Which area?
Q. The highlighted section.
A. The highlighted section is from Robert Michalski.
Q. Okay. And so your response on 467 is responsive to his comments on 468?
A. That's correct.
Q. Who is Robert Michalski?
A. He is the Vice-President of Compliance for the West Penn Allegheny Health System.
Q. And his words are: "Where in world did all of these come from? How come these were not identified before when this was reviewed on

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prior occasions? Do were need to revise the letter we sent to Medicare last week adding all these to see if any take backs occurred on any of these? Could any of these possibly be appropriate double payments? This is very troubling based on previous findings when supposedly we looked for double payments."

Apparently, he's writing this message to you. What is the context of the message? Why is he writing it to you?

A I don't believe I'm the only one he's writing that to. I'm copied on that, but I'm not the only person that is addressed to.

Q Well, what is the context of this message? Was there a recent discovery of more overbillings or what?

A Of his message?

Q Yes.

A There was a continuing audit that the Compliance Department was conducting.

Q And this message is in response to the continuing audit indicating that still more double billings appear to have occurred; is that right?

A More in comparison to what? The time frame

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was an extensive time frame that included some of our initial findings.

Q Okay. But he's saying, "Where in the world did all of these come from?" Apparently, this is new material. Can you tell me what was new?

A I'm not the one who conducted the audit. I did receive the spreadsheet, and I've outlined in my e-mail my response to his comments.

Q Okay. And what is your response to his comment, "Where did all these come from?"

A Okay. I'll read -- I'm reading this verbatim from my e-mail. This is addressed to Robert Michalski, Sandy Sessoms, Tom Vajda, and Linda Crawford, and cc'd to Paula Hooper. The subject was AGH EKG Cardiology Pro-Fee Review.

"I don't think there are as many cases that are issues as it appears on first blush. There are 58 cases on this document for a very extensive period of time. On 26 of them, there have obviously been more than one EKG done, and the EP doctor is the one interpreting. In many of the multiple

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charges, not all of them were paid. We may have, in fact, been underpaid. See the attached. The ones highlighted in yellow are the multiple cases. This indicates to me that the patient was most likely admitted after coming through the ER and had multiple EKG's billed by EP that were appropriate. The billers have access to view the MUSE System to see how many EKG's were actually done, so they know how many can be billed.

For the 32 remaining cases where only one EKG was billed by each the ER and the EP doctor, we need to sort out what happened. These could all be appropriate, but I think they are more at risk than the above cases.

For a period of time, the edit in HDS was not working, and some of these fall into that time frame. Tom and Linda could better define the time period that there was a problem with HDS.

There is always the possibility of human error on both the charge entry side and the billing side. Even if the edit stops the claim, it can be manually billed. We need to look at the remaining cases -- look the

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remaining cases up in MUSE to see the appropriate number that should be billed, and compare it to the reports. If they should not have been billed, we need to identify the breakdown.

Please let me know how you would like us to proceed."

Q Do you know, did you follow up and determine which of those were truly improper billings?

A I followed up to identify those that were appropriately billed, which in my recollection was the majority of the cases. However -- that's my recollection at this time. And I identified those that had the potential to be inappropriately billed.

Q And the number that had the potential of being inappropriately billed was how many?

A There were 32 cases where there -- where only one -- where the EKG was billed by the ER physician and the EP doctor.

Q Do we know the time frame that was studied here?

A Yes, it's stated in the e-mail. It's 5 of '02, May of 2002 through April of 2003.

Q So this is after Cindy Hartman had left?

A Yes, it is.
Q And, for that matter, the study that was done in April of '02 was after Cindy Hartman was suspended?
A That's true.
Q So Cindy Hartman couldn't be responsible for either the April or the more recent studies?
A That's correct. Cindy Hartman could not have been responsible for those.

MR. ERNSBERGER: I think that's all we can do today.

MR. JOHNSON: Okay.

(Whereupon, this proceeding was concluded at 3:30 p.m., to be continued at a later date.)

(Whereupon, signature was not waived.)